



## ANNUAL FINANCIAL REPORT

# Montgomery County, Tennessee

*For the Year Ended June 30, 2020*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF**  
**LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**MONTGOMERY COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

***COMPTROLLER OF THE TREASURY***  
***JASON E. MUMPOWER***

***DIVISION OF LOCAL GOVERNMENT AUDIT***  
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***Director***

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***BETHANY GRAVES***  
***State Auditors***

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov)

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## ***Summary of Audit Findings***

Annual Financial Report  
Montgomery County, Tennessee  
For the Year Ended June 30, 2020

### ***Scope***

We have audited the basic financial statements of Montgomery County as of and for the year ended June 30, 2020.

### ***Results***

Our report on Montgomery County's financial statements is unmodified.

Our audit resulted in one finding and recommendation, which we have reviewed with Montgomery County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

### ***Finding***

The following is a summary of the audit finding:

#### **OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

- ◆ The offices had deficiencies in budget operations.

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## INTRODUCTORY SECTION

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## Montgomery County Officials

### June 30, 2020

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#### **Officials**

Jim Durrett, County Mayor  
Monty Fleet, Acting Highway Supervisor  
Millard House II, Director of Schools  
Kimberly Wiggins, Trustee  
Erinne Hester, Assessor of Property  
Kellie Jackson, County Clerk  
Cheryl Castle, Circuit, General Sessions, and Juvenile Courts Clerk  
Michael Dale, Clerk and Master  
Connie Gunnett, Register of Deeds  
John Fuson, Sheriff  
Jeffrey Taylor, Director of Accounts and Budgets  
Jane Davis, Purchasing Agent

#### **Board of County Commissioners**

Jim Durrett, County Mayor, Chairman  
John Gannon, Sr.  
Arnold Hodges  
Joe Smith  
Rickey Ray  
Rashidah Leverett  
Tangi Smith  
Brandon Butts  
Carmelle Chandler  
James Lewis  
Charles Keene

Lisa Prichard  
Joe Creek  
David Harper  
Walker Woodruff  
Joshua Beal  
Loretta Bryant  
Chris Rasnic  
Jason Knight  
Garland Johnson  
Larry Rocconi  
Jerry Allbert

#### **Highway Commission**

Monty Fleet, Acting Highway Supervisor, Chairman  
Edgar Ray Groves  
Orville Lewis

#### **Board of Education**

Margaret Pace, Chairperson  
Charlie Patterson  
Jimmie Garland  
Anne Murtha

Carol Berry  
Herbert Nelson  
Josh Baggett

#### **Audit Committee**

Joe Smith, Chairman  
Chris Rasnic  
Joe Creek

John Gannon  
Lisa Prichard



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## FINANCIAL SECTION

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JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

Montgomery County Mayor and  
Board of County Commissioners  
Montgomery County, Tennessee

To the County Mayor and Board of County Commissioners:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Montgomery County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Montgomery County, Tennessee, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedules of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability, and schedules of county and school changes in the total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Montgomery County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Project funds, combining and individual fund financial statements of the Clarksville-Montgomery County School System (a discretely presented component unit), miscellaneous schedules and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects Funds, combining and individual fund financial statements of the Clarksville-Montgomery County School System (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Clarksville-Montgomery County School System (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2021, on our consideration of Montgomery County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Montgomery County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing*

*Standards* in considering Montgomery County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

January 20, 2021

JEM/tg

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# BASIC FINANCIAL STATEMENTS

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## Exhibit A

Montgomery County, Tennessee  
Statement of Net Position  
June 30, 2020

	Primary Government Governmental Activities	Component Unit Clarksville- Montgomery County School System
<u>ASSETS</u>		
Cash	\$ 107,738	\$ 413,684
Equity in Pooled Cash and Investments	135,906,012	63,763,016
Inventories	59,216	509,835
Accounts Receivable	10,195,819	428,835
Allowance for Uncollectibles	(5,784,847)	0
Due from Other Governments	3,375,073	14,484,637
Due from Component Units	3,405,835	0
Property Taxes Receivable	112,135,658	31,030,593
Allowance for Uncollectible Property Taxes	(1,563,128)	(447,938)
Prepaid Items	486,304	0
Restricted Assets:		
Amounts Accumulated for Pension Benefits	471,860	2,670,545
Net Pension Asset - Public Employee Retirement Plan	43,184	45,910
Net Pension Asset - Public Employee Legacy Pension Plan	4,459,949	4,508,377
Net Pension Asset - Teacher Retirement Plan	0	2,580,139
Net Pension Asset - Teacher Legacy Pension Plan	0	31,264,172
Capital Assets:		
Assets Not Depreciated:		
Land	18,242,236	14,167,519
Construction in Progress	23,133,727	2,874,036
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	105,451,962	268,937,648
Other Capital Assets	7,516,595	19,840,421
Intangibles	2,503,134	0
Infrastructure	44,316,092	0
Total Assets	<u>\$ 464,462,419</u>	<u>\$ 457,071,429</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 5,351,786	\$ 0
Pension Changes in Experience	1,013,818	2,672,110
Pension Changes in Assumptions	1,360,775	5,678,207
Pension Contributions After Measurement Date	5,068,784	16,618,224
Pension Changes in Proportions	0	289,031
Other Postemployment Benefits Changes in Experience	2,188,505	5,929,675
Total Deferred Outflows of Resources	<u>\$ 14,983,668</u>	<u>\$ 31,187,247</u>

(Continued)

## Exhibit A

Montgomery County, Tennessee  
Statement of Net Position (Cont.)

	Primary Government Governmental Activities	Component Unit Clarksville- Montgomery County School System
<u>LIABILITIES</u>		
Accounts Payable	\$ 3,621,978	\$ 2,117,145
Accrued Payroll	0	17,341,911
Payroll Deductions Payable	362,590	9,829,540
Due to State of Tennessee	5,444	0
Accrued Interest Payable	2,019,141	0
Due to Primary Government	0	1,220,835
Due to Litigants, Heirs, and Others	312,216	0
Other Current Liabilities	25,487	0
Customer Deposits Payable	226,300	355,660
Other Collections	8,000	0
Noncurrent Liabilities:		
Due Within One Year - Debt	38,382,827	0
Due Within One Year - Other	5,788,076	3,360,619
Due in More Than One Year - Debt	275,848,331	0
Due in More Than One Year - Other	25,187,058	35,862,740
Total Liabilities	<u>\$ 351,787,448</u>	<u>\$ 70,088,450</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 107,780,209	\$ 29,752,832
Pension Changes in Experience	2,086,405	21,656,257
Pension Changes in Investment Earnings	1,656,456	10,716,433
Pension Changes in Proportion	0	435,618
Other Postemployment Benefits Changes in Experience	0	70,235
Other Postemployment Benefits Changes in Assumptions	53,730	613,437
Total Deferred Inflows of Resources	<u>\$ 111,576,800</u>	<u>\$ 63,244,812</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 100,248,576	\$ 305,819,624
Restricted for:		
Capital Projects	6,506,436	1,267,005
Debt Service	39,041,219	0
Highways	7,815,228	0
General Government	526,873	0
Finance	2,220,836	0
Administration of Justice	1,150,769	0
Public Safety	373,852	0
Public Health and Welfare	16,910	0
Social, Cultural, and Recreational Services	2,503	0
Central Cafeteria	0	5,559,317
School Federal Projects	0	451,036
Pensions	4,974,993	41,069,143
Unrestricted	<u>(146,796,356)</u>	<u>759,289</u>
Total Net Position	<u>\$ 16,081,839</u>	<u>\$ 354,925,414</u>

The notes to the financial statements are an integral part of this statement.



Exhibit B

Montgomery County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Total Activities	Component Unit
						Clarksville- Montgomery County School System
Primary Government:						
Governmental Activities:						
General Government	\$ 21,213,513	\$ 4,733,980	\$ 237,110	\$ 88,235	\$ (16,154,188)	\$ 0
Finance	9,357,753	6,202,960	0	0	(3,154,793)	0
Administration of Justice	9,518,642	4,146,521	781,182	0	(4,590,939)	0
Public Safety	42,766,920	1,886,550	1,253,589	0	(39,626,781)	0
Public Health and Welfare	18,931,506	8,431,202	2,543,194	0	(7,957,110)	0
Social, Cultural, and Recreational Services	8,386,741	716,738	0	0	(7,670,003)	0
Agriculture and Natural Resources	733,200	0	0	0	(733,200)	0
Highways/Public Works	9,111,530	0	4,219,006	6,016,117	1,123,593	0
Education	73,627,677	52,271,378	0	0	(21,356,299)	0
Interest on Long-term Debt	13,405,453	0	0	0	(13,405,453)	0
Total Primary Government	\$ 207,052,935	\$ 78,389,329	\$ 9,034,081	\$ 6,104,352	\$ (113,525,173)	\$ 0
Component Unit:						
Clarksville-Montgomery County School System	\$ 357,585,187	\$ 5,115,535	\$ 43,009,642	\$ 0	\$ 0	\$ (309,460,010)
Total Component Unit	\$ 357,585,187	\$ 5,115,535	\$ 43,009,642	\$ 0	\$ 0	\$ (309,460,010)

(Continued)

Exhibit B

Montgomery County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Clarksville- Montgomery County School System
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 68,967,474	\$ 31,448,515
Property Taxes Levied for Debt Service					39,379,516	0
Local Option Sales Tax					366,306	62,313,619
Hotel/Motel Tax					3,117,408	0
Wheel Tax					3,066,601	4,939,471
Business Tax					1,919,270	924,207
Mixed Drink Tax					0	419,059
Adequate Facilities/Development Tax					2,527,500	0
Litigation Tax					1,102,432	0
Wholesale Beer Tax					444,376	0
Mineral Severance Tax					272,360	0
Grants and Contributions Not Restricted to Specific Programs					12,681,909	208,953,301
Interest Income					2,788,442	102,547
Debt Premiums					2,537,699	0
Miscellaneous					4,718,509	494,217
Total General Revenues					<u>\$ 143,889,802</u>	<u>\$ 309,594,936</u>
Change in Net Position					\$ 30,364,629	\$ 134,926
Net Position, July 1, 2019					<u>(14,282,790)</u>	<u>354,790,488</u>
Net Position, June 30, 2020					<u>\$ 16,081,839</u>	<u>\$ 354,925,414</u>

The notes to the financial statements are an integral part of this statement.

## Exhibit C-1

Montgomery County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2020

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 6,533	\$ 0	\$ 0	\$ 51,205	\$ 57,738
Equity in Pooled Cash and Investments	29,592,580	34,473,402	38,346,437	8,450,771	110,863,190
Inventories	59,216	0	0	0	59,216
Accounts Receivable	9,344,241	168,355	345,961	264,557	10,123,114
Allowance for Uncollectibles	(5,784,847)	0	0	0	(5,784,847)
Due from Other Governments	2,416,597	93,014	79,217	786,225	3,375,053
Due from Component Units	364,788	0	0	0	364,788
Property Taxes Receivable	60,016,999	40,865,056	5,902,227	5,351,376	112,135,658
Allowance for Uncollectible Property Taxes	(773,883)	(569,643)	(145,006)	(74,596)	(1,563,128)
Prepaid Items	37,684	0	0	0	37,684
Restricted Assets	445,759	0	0	26,101	471,860
Total Assets	<u>\$ 95,725,667</u>	<u>\$ 75,030,184</u>	<u>\$ 44,528,836</u>	<u>\$ 14,855,639</u>	<u>\$ 230,140,326</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 2,157,888	\$ 43,790	\$ 799,079	\$ 541,942	\$ 3,542,699
Payroll Deductions Payable	341,894	0	0	19,135	361,029
Due to Other Funds	654,440	0	0	0	654,440
Due to State of Tennessee	5,444	0	0	0	5,444
Due to Litigants, Heirs, and Others	240	0	0	311,976	312,216
Other Current Liabilities	0	0	0	25,487	25,487
Current Liabilities Payable From Restricted Assets	700	0	0	225,600	226,300
Other Collections	8,000	0	0	0	8,000
Total Liabilities	<u>\$ 3,168,606</u>	<u>\$ 43,790</u>	<u>\$ 799,079</u>	<u>\$ 1,124,140</u>	<u>\$ 5,135,615</u>

(Continued)

Exhibit C-1

Montgomery County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 57,981,544	\$ 39,277,820	\$ 5,377,321	\$ 5,143,524	\$ 107,780,209
Deferred Delinquent Property Taxes	935,151	766,679	301,662	100,402	2,103,894
Other Deferred/Unavailable Revenue	3,277,467	31,992	0	363,788	3,673,247
Total Deferred Inflows of Resources	\$ 62,194,162	\$ 40,076,491	\$ 5,678,983	\$ 5,607,714	\$ 113,557,350
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 59,216	\$ 0	\$ 0	\$ 0	\$ 59,216
Prepaid Items	37,684	0	0	0	37,684
Restricted:					
Restricted for General Government	526,873	0	0	0	526,873
Restricted for Finance	2,220,836	0	0	0	2,220,836
Restricted for Administration of Justice	1,150,769	0	0	0	1,150,769
Restricted for Public Safety	333,471	0	0	40,381	373,852
Restricted for Public Health and Welfare	16,910	0	0	0	16,910
Restricted for Social, Cultural, and Recreational Services	2,503	0	0	0	2,503
Restricted for Highways/Public Works	0	0	0	7,366,973	7,366,973
Restricted for Debt Service	0	34,909,903	0	0	34,909,903
Restricted for Capital Projects	0	0	38,050,774	0	38,050,774
Restricted for Hybrid Retirement Stabilization Funds	445,759	0	0	26,101	471,860
Committed:					
Committed for General Government	457,866	0	0	0	457,866
Committed for Public Safety	71,982	0	0	0	71,982
Assigned:					
Assigned for General Government	725,644	0	0	0	725,644

(Continued)

Exhibit C-1

Montgomery County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Finance	\$ 579,772	\$ 0	\$ 0	\$ 0	\$ 579,772
Assigned for Public Safety	250,000	0	0	0	250,000
Assigned for Highways/Public Works	0	0	0	690,330	690,330
Unassigned	23,483,614	0	0	0	23,483,614
Total Fund Balances	<u>\$ 30,362,899</u>	<u>\$ 34,909,903</u>	<u>\$ 38,050,774</u>	<u>\$ 8,123,785</u>	<u>\$ 111,447,361</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 95,725,667</u>	<u>\$ 75,030,184</u>	<u>\$ 44,528,836</u>	<u>\$ 14,855,639</u>	<u>\$ 230,140,326</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-2

Montgomery County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
June 30, 2020

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 111,447,361
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 18,242,236	
Add: construction in progress	23,133,727	
Add: buildings and improvements net of accumulated depreciation	105,451,962	
Add: other capital assets net of accumulated depreciation	7,516,595	
Add: intangibles net of accumulated depreciation	2,503,134	
Add: infrastructure net of accumulated depreciation	44,316,092	
Less: capital assets of internal service funds, which are included below in item (2)	<u>(11,315)</u>	201,152,431
(2) Internal service funds are used by management to charge the cost of liability, workers' compensation insurance, and employee dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.		20,898,717
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (7,500,000)	
Less: bonds payable	(259,340,000)	
Less: other loans payable	(7,857,894)	
Less: capital leases payable	(13,668,505)	
Add: debt to be contributed by component units	2,984,834	
Add: deferred amount on refunding	5,351,786	
Less: unamortized premium on debt	(25,864,759)	
Less: accrued interest on bonds, capital leases, and other loans	(2,019,141)	
Less: other postemployment benefits liability	(21,607,460)	
Less: compensated absences payable	<u>(4,011,096)</u>	(333,532,235)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 7,443,377	
Less: deferred inflows of resources related to pensions	(3,742,861)	
Add: deferred outflows of resources related to OPEB	2,188,505	
Less: deferred inflows of resources related to OPEB	<u>(53,730)</u>	5,835,291
(5) Net pension assets of the agent and hybrid plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - public employee retirement plan	\$ 43,184	
Add: net pension asset - public employee legacy pension plan	<u>4,459,949</u>	4,503,133
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>5,777,141</u>
Net position of governmental activities (Exhibit A)		<u>\$ 16,081,839</u>

The notes to the financial statements are an integral part of this statement.

## Exhibit C-3

Montgomery County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2020

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 55,145,877	\$ 43,264,081	\$ 19,399,598	\$ 5,590,433	\$ 123,399,989
Licenses and Permits	1,914,405	0	0	0	1,914,405
Fines, Forfeitures, and Penalties	964,224	0	0	13,404	977,628
Charges for Current Services	8,017,779	0	0	15,795	8,033,574
Other Local Revenues	3,015,373	1,408,979	71,942	14,051	4,510,345
Fees Received From County Officials	10,748,786	0	0	0	10,748,786
State of Tennessee	7,747,630	0	375,000	4,502,185	12,624,815
Federal Government	920,648	45,500	64,712	1,650	1,032,510
Other Governments and Citizens Groups	795,290	7,198,319	941,440	0	8,935,049
Total Revenues	\$ 89,270,012	\$ 51,916,879	\$ 20,852,692	\$ 10,137,518	\$ 172,177,101
<u>Expenditures</u>					
Current:					
General Government	\$ 10,174,825	\$ 0	\$ 0	\$ 0	\$ 10,174,825
Finance	8,883,951	0	0	0	8,883,951
Administration of Justice	8,287,470	0	0	15,795	8,303,265
Public Safety	39,967,630	0	0	23,184	39,990,814
Public Health and Welfare	15,613,750	0	0	0	15,613,750
Social, Cultural, and Recreational Services	3,395,845	0	0	0	3,395,845
Agriculture and Natural Resources	680,683	0	0	0	680,683
Other Operations	6,997,761	0	0	0	6,997,761
Highways	175,796	0	0	8,577,064	8,752,860
Debt Service:					
Principal on Debt	0	37,608,709	0	0	37,608,709
Interest on Debt	0	11,432,317	0	0	11,432,317
Other Debt Service	0	847,089	270,926	0	1,118,015

(Continued)

Exhibit C-3

Montgomery County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 0	\$ 0	\$ 30,140,912	\$ 14,747,569	\$ 44,888,481
Total Expenditures	\$ 94,177,711	\$ 49,888,115	\$ 30,411,838	\$ 23,363,612	\$ 197,841,276
Excess (Deficiency) of Revenues Over Expenditures	\$ (4,907,699)	\$ 2,028,764	\$ (9,559,146)	\$ (13,226,094)	\$ (25,664,175)
<u>Other Financing Sources (Uses)</u>					
Bonds Issued	\$ 0	\$ 0	\$ 13,800,000	\$ 0	\$ 13,800,000
Notes Issued	0	0	11,800,000	0	11,800,000
Capital Leases Issued	0	0	0	14,747,569	14,747,569
Refunding Debt Issued	0	9,700,000	0	0	9,700,000
Premiums on Debt Sold	0	0	3,666,926	0	3,666,926
Insurance Recovery	167,658	0	0	3,171	170,829
Payments to Refunded Debt Escrow Agent	0	(9,700,000)	0	0	(9,700,000)
Total Other Financing Sources (Uses)	\$ 167,658	\$ 0	\$ 29,266,926	\$ 14,750,740	\$ 44,185,324
Net Change in Fund Balances	\$ (4,740,041)	\$ 2,028,764	\$ 19,707,780	\$ 1,524,646	\$ 18,521,149
Fund Balance, July 1, 2019	35,102,940	32,881,139	18,342,994	6,599,139	92,926,212
Fund Balance, June 30, 2020	\$ 30,362,899	\$ 34,909,903	\$ 38,050,774	\$ 8,123,785	\$ 111,447,361

The notes to the financial statements are an integral part of this statement.



Exhibit C-4

Montgomery County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 18,521,149
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 21,379,935	
Less: current-year depreciation expense	(6,783,810)	
Add: current-year depreciation expense in internal service fund	991	14,597,116
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: capital assets donated	\$ 5,633,692	
Less: book value of capital assets disposed	(517,763)	5,115,929
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$ (5,577,892)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	5,777,141	199,249
(4) The issuance of long-term debt (e.g., notes, bonds, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Less: bond proceeds	\$ (23,500,000)	
Less: capital lease proceeds	(14,747,569)	
Less: note proceeds	(11,800,000)	
Add: principal payments on bonds	29,860,000	
Add: principal payments on other loans	1,507,569	
Add: principal payments on capital leases	6,241,140	
Less: contributions from school system for capital leases	(896,153)	
Less: contributions from bi-county component unit for bonds	(170,221)	
Add: debt refunded	9,700,000	
Less: premium on debt issued during year	(3,666,926)	
Less: change in deferred amount on refunding debt	(2,115,134)	
Add: change in unamortized premium on debt issuances	2,537,700	(7,049,594)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 141,998	
Change in other postemployment benefits liability	(5,034,182)	
Change in compensated absences payable	(497,675)	
Change in net pension asset - public employee retirement plan	(37,386)	
Change in net pension asset - public employee legacy pension plan	2,890,705	
Change in deferred outflows of resources related to pensions	31,270	
Change in deferred inflows of resources related to pensions	(1,558,555)	
Change in deferred outflows of resources related to other postemployment benefits	2,188,505	
Change in deferred inflows of resources related to other postemployment benefits	(53,730)	(1,929,050)
(6) Internal service funds are used by management to charge the cost of liability, workers' compensation insurance, and employee dental benefits to individual funds. The net revenue (expense) of certain activities of the internal service funds are reported with governmental activities in the statement of activities.		909,830
Change in net position of governmental activities (Exhibit B)		\$ 30,364,629

The notes to the financial statements are an integral part of this statement.

Exhibit C-5

Montgomery County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 55,145,877	\$ 0	\$ 0	\$ 55,145,877	\$ 57,629,782	\$ 57,629,782	\$ (2,483,905)
Licenses and Permits	1,914,405	0	0	1,914,405	2,603,000	2,603,000	(688,595)
Fines, Forfeitures, and Penalties	964,224	0	0	964,224	1,068,325	1,071,021	(106,797)
Charges for Current Services	8,017,779	0	0	8,017,779	7,821,650	7,821,650	196,129
Other Local Revenues	3,015,373	0	0	3,015,373	2,296,667	2,293,739	721,634
Fees Received From County Officials	10,748,786	0	0	10,748,786	9,043,000	9,043,000	1,705,786
State of Tennessee	7,747,630	0	0	7,747,630	8,103,321	8,323,947	(576,317)
Federal Government	920,648	0	0	920,648	481,301	1,402,544	(481,896)
Other Governments and Citizens Groups	795,290	0	0	795,290	533,639	899,627	(104,337)
Total Revenues	\$ 89,270,012	\$ 0	\$ 0	\$ 89,270,012	\$ 89,580,685	\$ 91,088,310	\$ (1,818,298)
<b>Expenditures</b>							
<b>General Government</b>							
County Commission	\$ 325,371	\$ 0	\$ 30,000	\$ 355,371	\$ 365,560	\$ 376,510	\$ 21,139
Board of Equalization	8,015	0	0	8,015	2,692	11,183	3,168
Beer Board	3,406	0	0	3,406	5,020	5,670	2,264
Other Boards and Committees	2,745	0	0	2,745	5,168	5,168	2,423
County Mayor/Executive	562,108	0	0	562,108	580,985	594,048	31,940
Personnel Office	611,722	0	16,023	627,745	647,049	669,084	41,339
County Attorney	480,777	0	11,737	492,514	125,000	455,000	(37,514)
Election Commission	614,244	0	0	614,244	697,733	713,521	99,277
Register of Deeds	573,691	0	0	573,691	563,451	597,554	23,863
Planning	460,147	0	0	460,147	426,000	460,148	1
Building	419,980	0	16,000	435,980	411,890	478,367	42,387
Codes Compliance	965,272	0	4,030	969,302	952,708	1,003,278	33,976
Geographical Information Systems	213,524	0	0	213,524	290,215	290,215	76,691
County Buildings	395,920	0	405	396,325	460,463	461,493	65,168
Other Facilities	2,855,781	(2,210)	0	2,853,571	2,802,017	2,987,284	133,713
Other General Administration	1,290,548	(5,340)	24,337	1,309,545	1,411,428	1,439,573	130,028
Preservation of Records	391,574	0	0	391,574	245,459	428,150	36,576

(Continued)

## Exhibit C-5

Montgomery County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance</u>							
Accounting and Budgeting	\$ 720,336	\$ 0	\$ 24,612	\$ 744,948	\$ 753,422	\$ 764,472	\$ 19,524
Purchasing	309,556	0	0	309,556	322,545	336,915	27,359
Property Assessor's Office	1,432,004	0	125	1,432,129	1,458,849	1,476,357	44,228
County Trustee's Office	753,262	(1,125)	0	752,137	721,990	793,650	41,513
County Clerk's Office	2,714,610	0	26,200	2,740,810	2,496,746	2,786,246	45,436
Data Processing	2,931,452	(35,482)	56,333	2,952,303	2,861,986	3,113,402	161,099
Other Finance	22,731	0	0	22,731	61,300	61,300	38,569
<u>Administration of Justice</u>							
Circuit Court	3,636,290	0	5,995	3,642,285	3,676,910	4,034,406	392,121
General Sessions Court	660,290	0	0	660,290	648,861	662,721	2,431
Drug Court	66,153	0	6,134	72,287	70,000	70,000	(2,287)
Chancery Court	713,187	0	0	713,187	663,297	734,222	21,035
Juvenile Court	1,297,872	0	0	1,297,872	1,193,258	1,356,503	58,631
District Attorney General	44,626	0	0	44,626	59,750	59,750	15,124
Office of Public Defender	5,825	0	0	5,825	7,313	7,313	1,488
Judicial Commissioners	250,068	0	596	250,664	259,881	265,632	14,968
Probate Court	294,825	0	0	294,825	279,892	341,677	46,852
Other Administration of Justice	474,174	(729)	0	473,445	521,677	524,426	50,981
Probation Services	844,160	0	0	844,160	1,112,894	1,141,726	297,566
<u>Public Safety</u>							
Sheriff's Department	14,175,538	(66,829)	115,265	14,223,974	12,949,004	14,601,609	377,635
Special Patrols	3,096,710	(663)	0	3,096,047	2,898,120	3,315,936	219,889
Drug Enforcement	110,252	0	0	110,252	153,850	153,850	43,598
Administration of the Sexual Offender Registry	5,449	0	0	5,449	16,125	16,125	10,676
Jail	17,821,639	(35,472)	49,664	17,835,831	14,321,133	18,564,832	729,001
Workhouse	1,957,751	0	0	1,957,751	1,882,169	2,031,888	74,137
Correctional Incentive Program Improvements	532,766	0	6,542	539,308	586,576	586,576	47,268
Juvenile Services	293,033	0	0	293,033	291,746	299,214	6,181
Fire Prevention and Control	613,540	(5,044)	0	608,496	602,417	640,741	32,245

(Continued)

## Exhibit C-5

Montgomery County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Civil Defense	\$ 628,951	\$ 0	\$ 1,250	\$ 630,201	\$ 661,448	\$ 681,667	\$ 51,466
Other Emergency Management	305,151	0	0	305,151	130,313	400,871	95,720
County Coroner/Medical Examiner	426,850	0	0	426,850	224,700	384,700	(42,150)
<u>Public Health and Welfare</u>							
Local Health Center	273,490	0	59	273,549	280,808	330,917	57,368
Rabies and Animal Control	1,219,920	(64,209)	2,740	1,158,451	1,225,718	1,324,537	166,086
Ambulance/Emergency Medical Services	11,547,907	(13,092)	21,485	11,556,300	12,799,104	13,059,522	1,503,222
Other Local Health Services	2,373,323	0	0	2,373,323	3,200,400	3,285,202	911,879
Appropriation to State	189,810	0	0	189,810	223,722	223,722	33,912
Other Local Welfare Services	8,500	0	50	8,550	20,825	20,825	12,275
Other Public Health and Welfare	800	0	0	800	25,000	25,000	24,200
<u>Social, Cultural, and Recreational Services</u>							
Libraries	2,072,484	0	0	2,072,484	2,064,386	2,072,484	0
Parks and Fair Boards	1,317,845	0	0	1,317,845	1,529,328	1,568,762	250,917
Other Social, Cultural, and Recreational	5,516	0	0	5,516	9,688	9,688	4,172
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	307,184	0	444	307,628	375,705	375,705	68,077
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	57,367	0	0	57,367	37,403	58,425	1,058
Storm Water Management	314,132	(555,701)	246,519	4,950	125,000	680,701	675,751
<u>Other Operations</u>							
Tourism	1,543,117	0	0	1,543,117	942,000	1,094,000	(449,117)
Industrial Development	1,238,957	0	0	1,238,957	1,238,962	1,238,962	5
Airport	379,312	0	0	379,312	381,812	381,812	2,500
Veterans' Services	602,797	0	0	602,797	598,316	633,954	31,157
Other Charges	2,376,762	0	0	2,376,762	2,356,406	2,406,406	29,644
Contributions to Other Agencies	270,759	(53,290)	23,057	240,526	337,500	471,910	231,384
Employee Benefits	498,243	0	0	498,243	5,031,492	1,559,917	1,061,674
Miscellaneous	87,814	0	27,372	115,186	125,000	125,000	9,814

(Continued)

Exhibit C-5

Montgomery County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Highways</u>							
Litter and Trash Collection	\$ 175,796	\$ 0	\$ 0	\$ 175,796	\$ 142,975	\$ 176,404	\$ 608
Total Expenditures	\$ 94,177,711	\$ (839,186)	\$ 716,974	\$ 94,055,499	\$ 94,954,560	\$ 102,310,828	\$ 8,255,329
Excess (Deficiency) of Revenues Over Expenditures	\$ (4,907,699)	\$ 839,186	\$ (716,974)	\$ (4,785,487)	\$ (5,373,875)	\$ (11,222,518)	\$ 6,437,031
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 167,658	\$ 0	\$ 0	\$ 167,658	\$ 0	\$ 123,812	\$ 43,846
Transfers In	0	0	0	0	291,210	0	0
Transfers Out	0	0	0	0	0	(180,000)	180,000
Total Other Financing Sources	\$ 167,658	\$ 0	\$ 0	\$ 167,658	\$ 291,210	\$ (56,188)	\$ 223,846
Net Change in Fund Balance	\$ (4,740,041)	\$ 839,186	\$ (716,974)	\$ (4,617,829)	\$ (5,082,665)	\$ (11,278,706)	\$ 6,660,877
Fund Balance, July 1, 2019	35,102,940	(839,186)	0	34,263,754	24,186,999	35,102,940	(839,186)
Fund Balance, June 30, 2020	\$ 30,362,899	\$ 0	\$ (716,974)	\$ 29,645,925	\$ 19,104,334	\$ 23,824,234	\$ 5,821,691

The notes to the financial statements are an integral part of this statement.

Exhibit D-1

Montgomery County, Tennessee  
Statement of Net Position  
Proprietary Funds  
June 30, 2020

Governmental  
Activities -  
Internal  
Service  
Funds

ASSETS

Current Assets:

Equity in Pooled Cash and Investments	\$ 25,042,822
Cash with Paying Agents	50,000
Accounts Receivable	72,705
Due from Other Governments	20
Due from Other Funds	654,440
Due from Component Units	56,213
Prepaid Items	448,620
Total Current Assets	<u>\$ 26,324,820</u>

Noncurrent Assets:

Capital Assets:

Buildings and Improvements	\$ 24,803
Accumulated Depreciation - Buildings and Improvements	(13,488)
Total Noncurrent Assets	<u>\$ 11,315</u>
Total Assets	<u>\$ 26,336,135</u>

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 79,279
Payroll Deductions Payable	1,561
Claims and Judgments Payable	2,678,289
Total Current Liabilities	<u>\$ 2,759,129</u>

Noncurrent Liabilities:

Claims and Judgments Payable	\$ 2,678,289
Total Noncurrent Liabilities	<u>\$ 2,678,289</u>

Total Liabilities	<u>\$ 5,437,418</u>
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NET POSITION

Unrestricted	<u>\$ 20,898,717</u>
Total Net Position	<u>\$ 20,898,717</u>

The notes to the financial statements are an integral part of this statement.

Exhibit D-2

Montgomery County, Tennessee  
Statement of Revenues, Expenses, and  
Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Funds
	<hr/>
<u>Operating Revenues</u>	
Charges for Current Services	\$ 66,133,320
Total Operating Revenues	<u>\$ 66,133,320</u>
<u>Operating Expenses</u>	
Other Facilities	\$ 149
Risk Management	715,707
Data Processing	55
Circuit Court	951
Probation Services	58
Sheriff's Department	5,878
Special Patrols	2,475
Jail	23,589
Rabies and Animal Control	1,670
Ambulance/Emergency Medical Services	7,829
Other Local Health Services	2,310
Convenience Centers	4,679
Landfill Operation and Maintenance	171
Libraries	22
Parks and Fair Boards	690
Depreciation	991
Other Charges	2,005,865
Employee Benefits	66,270,513
Highway and Bridge Maintenance	3,319
Other	151,006
Total Operating Expenses	<u>\$ 69,197,927</u>
Operating Income (Loss)	<u>\$ (3,064,607)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 101,212
Miscellaneous Refunds	3,865,686
Insurance Recovery	7,539
Total Nonoperating Revenues (Expenses)	<u>\$ 3,974,437</u>
Changes in Net Position	\$ 909,830
Net Position, July 1, 2019	<u>19,988,887</u>
Net Position, June 30, 2020	<u><u>\$ 20,898,717</u></u>

The notes to the financial statements are an integral part of this statement.

## Exhibit D-3

Montgomery County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 64,961,683
Other Self-Insured Claims	(68,946,256)
Other Receipts (Payments)	3,873,225
Net Cash Provided By (Used In) Operating Activities	<u>\$ (111,348)</u>
<u>Cash Flows from Investing Activities</u>	
Investment Income	\$ 101,212
Net Cash Provided By (Used In) Investing Activities	<u>\$ 101,212</u>
Net Increase (Decrease) in Cash	\$ (10,136)
Cash, July 1, 2019	<u>25,102,958</u>
Cash, June 30, 2020	<u><u>\$ 25,092,822</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (3,064,607)
Miscellaneous Refunds	3,865,686
Insurance Recovery	7,539
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation Expense	991
(Increase) Decrease in Accounts Receivable	(16,936)
(Increase) Decrease in Due from Other Funds	(654,440)
(Increase) Decrease in Due from Component Units	(51,641)
(Increase) Decrease in Prepaid Items	(448,620)
Increase (Decrease) in Accounts Payable	1,367
Increase (Decrease) in Payroll Deductions Payable	(155)
Increase (Decrease) in Due to Component Units	(200)
Increase (Decrease) in Claims and Judgments Payable	249,668
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (111,348)</u></u>

The notes to the financial statements are an integral part of this statement.



Exhibit E

Montgomery County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 8,245,831
Equity in Pooled Cash and Investments	582,919
Accounts Receivable	786
Due from Other Governments	<u>3,696,116</u>
Total Assets	<u><u>\$ 12,525,652</u></u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 11,721
Due to Other Taxing Units	3,695,563
Due to Litigants, Heirs, and Others	8,382,956
Due to Joint Ventures	315,090
Other Current Liabilities	<u>120,322</u>
Total Liabilities	<u><u>\$ 12,525,652</u></u>

The notes to the financial statements are an integral part of this statement.

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## MONTGOMERY COUNTY, TENNESSEE

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**MONTGOMERY COUNTY, TENNESSEE**  
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**MONTGOMERY COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Montgomery County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Montgomery County:

**A. Reporting Entity**

Montgomery County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Montgomery County (the primary government) and its component units. The financial statements of the Emergency Communications District of Montgomery County, the Bi-County Solid Waste Management System, the Clarksville-Montgomery County Industrial Development Board, the Clarksville-Montgomery County Public Library, and the Clarksville-Montgomery County Tourism Commission, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

**Discretely Presented Component Units** – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The Clarksville-Montgomery County School System operates the public school system in the county, and the voters of Montgomery County elect its board. The school system is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school system's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Emergency Communications District of Montgomery County provides a simplified means of securing emergency services through a uniform emergency number for the residents of Montgomery County, and the Montgomery County Commission and the Clarksville City Council appoint its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial

statements of the Emergency Communications District of Montgomery County were not material to the component units' opinion unit and therefore have been omitted from this report.

The Bi-County Solid Waste Management System provides landfill and collection services for Montgomery and Stewart counties, and Montgomery County operates the transfer station. The joint participants appoint the board members of the system; however, Montgomery County appoints a voting majority of the board members and contributes the majority of funding for the system. This system is treated as a discrete component unit of Montgomery County since the county may unilaterally control the operations of the system. The financial statements of the Bi-County Solid Waste Management System were not material to the component units' opinion unit and therefore have been omitted from this report.

The Clarksville-Montgomery County Industrial Development Board primarily provides inducements to industry to locate or remain in Montgomery County, and the Montgomery County Commission appoints its governing body. City and county appropriations provide the majority of its funding. The financial statements of the Clarksville-Montgomery County Industrial Development Board were not material to the component units' opinion unit and therefore have been omitted from this report.

The Clarksville-Montgomery County Public Library provides for the maintenance and operation of the public library for the benefit of residents of Montgomery County, and the Montgomery County Commission appoints its nine board members. County appropriations and donations provide the majority of its funding. The financial statements of the Clarksville-Montgomery County Public Library were not material to the component units' opinion unit and therefore have been omitted from this report.

The county, in conjunction with the City of Clarksville, has created the Clarksville-Montgomery County Tourism Commission to promote tourist and recreational activity in the Clarksville-Montgomery County area. The nine-member tourism commission is selected by and with the joint approval of the city mayor and county mayor. Major funding for this organization is from the hotel/motel tax. The annual budget of the tourism commission is prepared and legally adopted by the board of commissioners and approved by the Montgomery County Director of Accounts and Budgets. The financial statements of the Clarksville-Montgomery County Tourism Commission were not material to the component units' opinion unit and therefore have been omitted from this report.

The Clarksville-Montgomery County School System does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school system are included in this report as listed in the table of contents. The financial statements of the Emergency Communications District of Montgomery County, the Bi-County Solid Waste Management System, the Clarksville-Montgomery County Industrial

Development Board, the Clarksville-Montgomery County Public Library, and the Clarksville-Montgomery County Tourism Commission were not material to the component units' opinion unit and, therefore, have been omitted from this report, as previously mentioned. Complete financial statements of the Emergency Communications District of Montgomery County, the Bi-County Solid Waste Management System, the Clarksville-Montgomery County Industrial Development Board, the Clarksville-Montgomery County Public Library, and the Clarksville-Montgomery County Tourism Commission can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Emergency Communications District of Montgomery County  
130 South First Street  
Clarksville, TN 37040

Bi-County Solid Waste Management System  
P.O. Box 192  
Woodlawn, TN 37191-0192

Clarksville-Montgomery County Industrial Development Board  
P.O. Box 883  
25 Jefferson Street, Suite 300  
Clarksville, TN 37040

Clarksville-Montgomery County Public Library  
350 Pageant Lane, Suite 501  
Clarksville, TN 37040

Clarksville-Montgomery County Tourism Commission  
25 Jefferson Street, Suite 300  
Clarksville, TN 37040

**Related Organization** – The Montgomery County Public Building Authority is a related organization of Montgomery County. County officials are responsible for appointing members to the board of the Montgomery County Public Building Authority; however, the county's accountability for this organization does not extend beyond making the appointments.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which

rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Montgomery County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Clarksville-Montgomery County School System component unit only reports governmental activities in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Montgomery County issues all debt for the discretely presented Clarksville-Montgomery County School System. Net debt issues totaling \$18,215,569 were contributed by the county to the school system during the year ended June 30, 2020.

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service funds are reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of Montgomery County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are

organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Montgomery County reports three proprietary funds (internal service funds). It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service funds and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Montgomery County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Proprietary funds and fiduciary funds financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.



Montgomery County reports the following major governmental funds:

**General Fund** – This is the county’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**General Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

**General Capital Projects Fund** – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Montgomery County reports the following fund types:

**Special Revenue Funds** – These funds account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Internal Service Funds** – These funds, the Self-Insurance, the Workers’ Compensation, and the Unemployment Compensation funds, are used to account for risk management activities for employees’ health insurance, workers’ compensation, on-the-job injury, and unemployment compensation provided to other departments on a cost-reimbursement basis.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Montgomery County, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, restricted revenues held for the benefit of the Office of District Attorney General, and assets held in a custodial capacity for a regional port authority. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Clarksville-Montgomery County School System reports the following major governmental funds:

**General Purpose School Fund** – This fund is the primary operating fund for the school system. It is used to account for general operations of the school system.

**Education Capital Projects Fund** – This fund is used to account for the receipt of debt issued by Montgomery County and contributed to the school system for building construction and renovations.

Additionally, the Clarksville-Montgomery County School System reports the following fund type:

**Special Revenue Funds** – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds, internal service funds, used to account for the employees' health insurance, workers' compensation, on-the-job injury, and unemployment compensation programs. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's internal service funds are charges for services. Operating expenses for the internal service funds include administrative expenses and employee benefits.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee and cash with paying agents.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds of Montgomery County, the Clarksville-Montgomery County School System, the Bi-County Solid Waste Management System, the Emergency Communications District of Montgomery County, the Clarksville-Montgomery County Public Library, and the Montgomery County Rail Service Authority (joint venture). Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General and General Debt Service funds. Montgomery County and the school system have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America.

Montgomery County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to one percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the primary government funds represent deposits placed with Montgomery County for rental deposits (\$700) and road construction

(\$225,600) and in the school system represent prepaid meal plans for students (\$355,660). Claims and Judgments Payable totaling \$5,356,578 for the primary government and \$183,300 for the discretely presented Clarksville-Montgomery County School System are discussed in Note V.A. Risk Management.

**3. Inventories and Prepaid Items**

Inventories of governmental funds consist of expendable supplies held for consumption and are valued at cost on the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

**4. Restricted Assets**

Restricted assets consist of amounts held in two separate pension stabilization trusts by the Tennessee Consolidated Retirement System (TCRS) for the benefit of Montgomery County's Public Employee Retirement Plan and the discretely presented Clarksville-Montgomery County School System's Teacher Retirement Plan. The purpose of these trusts is to accumulate funds to provide stabilization (smoothing) of retirement costs to the county and the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of Montgomery County and the Clarksville-Montgomery County School System to fund retirement benefits upon approval of the TCRS Board of Directors. To date, Montgomery County and the Clarksville-Montgomery County School System have not withdrawn any funds from these trusts to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of Montgomery County or the Clarksville-Montgomery County School System.

**5. Capital Assets**

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$25,000 (\$5,000 for the school system) or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school system are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	15 - 50
Other Capital Assets	4 - 20
Intangibles	5 - 100
Infrastructure:	
Roads	40
Bridges	50

## **6. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net. These items are for deferred charge on refunding, pension changes in experience, pension changes in assumptions, pension contributions after measurement date, pension changes in proportions, and other postemployment benefits changes in experience.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources,

represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These revenues are from the following sources: current and delinquent property taxes, pension changes in experience, pension changes in investment earnings, pension changes in proportion, other postemployment benefits changes in experience, other postemployment benefits changes in assumptions, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**7. Compensated Absences**

It is the county's and the school system's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the county and the school system do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the school system. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**8. Long-term Debt and Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, claims and judgments, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

**9. Net Position and Fund Balance**

In the government-wide financial statements and the proprietary funds in the fund financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2020, Montgomery County had \$166,181,569 in outstanding debt for capital purposes for the discretely presented Clarksville-Montgomery County School System. This debt is a liability of Montgomery County, but the capital assets acquired are reported in the financial statements of the school system. Therefore, Montgomery County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.



In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent.

These classifications may consist of the following:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the county commission, the county's highest level of decision-making authority and the Board of Education, the school system's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments for the school system.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

## **E. Pension Plans**

### **Primary Government**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Montgomery County's participation in the Public Employee Retirement Plan and Public Employee Legacy Pension Plan of the Tennessee Consolidated Retirement

System (TCRS), and additions to/deductions from Montgomery County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan and the Public Employee Legacy Pension Plan of TCRS. Investments are reported at fair value.

#### **Discretely Presented Clarksville-Montgomery County School System**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

#### **F. Other Postemployment Benefit (OPEB) Plans**

##### **Primary Government**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by Montgomery County. For this purpose, Montgomery County recognizes benefit payments when due and payable in accordance with benefit terms. Montgomery County's OPEB plan is not administered through a trust.

##### **Discretely Presented Clarksville-Montgomery County School System**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Clarksville Montgomery County School System. For this purpose, the school system recognizes benefit payments when due and payable in accordance with benefit terms. The school system's OPEB plan is not administered through a trust.

## **II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

### **A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position**

#### **Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

#### **Discretely Presented Clarksville-Montgomery County School System**

Exhibit K-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### **B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

#### **Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

#### **Discretely Presented Clarksville-Montgomery County School System**

Exhibit K-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

## **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the Education Capital Projects Funds, which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances

may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, Other Boards and Committees, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2020, Montgomery County and the Montgomery County School System reported the following encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 716,974
General Capital Projects	5,126,546
Nonmajor Fund:	
Highway/Public Works	690,330
School System:	
Major Fund:	
General Purpose School	450,614
Nonmajor Fund:	
Central Cafeteria	30,076

**B. Expenditures Exceeded Appropriations**

Expenditures exceeded appropriations by the county commission in several major categories (the legal level of control) in the following funds:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
Primary Government:	
General:	
County Attorney	\$ 37,514
Drug Court	2,287
County Coroner/Medical Examiner	42,150
Tourism	449,117
General Capital Projects:	
General Government	24,000

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances in the respective funds.

#### **IV. DETAILED NOTES ON ALL FUNDS**

##### **A. Deposits and Investments**

Montgomery County, the Clarksville-Montgomery County School System, the Bi-County Solid Waste Management System, the Emergency Communications District of Montgomery County, the Clarksville-Montgomery County Public Library, and the Montgomery County Rail Service Authority participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity, is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

##### **Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency.

Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2020, Montgomery County had the following investments carried at amortized cost using a Stable Net Asset Value, amortized cost using a floating Net Asset Value, or fair value within the fair value hierarchy established by generally accepted accounting principles. Separate disclosures concerning pooled investments cannot be made for Montgomery County and the discretely presented Clarksville-

Montgomery County School System since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value or Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 105	N/A	\$ 49,244
Investments at Fair Value:			
Federal Farm Credit Banks	N/A	various	431,621
U.S. Treasury Note	N/A	various	<u>2,516,745</u>
Total			<u>\$ 2,997,610</u>

Investment by Fair Value Level	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal Farm Credit Banks	\$ 431,621	\$ 431,621	\$ 0	\$ 0
U.S. Treasury Note	<u>2,516,745</u>	<u>2,516,745</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 2,948,366</u>	<u>\$ 2,948,366</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Montgomery County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings

of certain investments as previously explained. Montgomery County has no investment policy that would further limit its investment choices. As of June 30, 2020, Montgomery County's investment in the State Treasurer's Investment Pool was unrated. Montgomery County's investment in Federal Farm Credit Bank was rated Aaa by Moody's Investor's Service, AA+ by Standard & Poor's, and AAA by Fitch Ratings.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Montgomery County places no limit on the amount the county may invest in one issuer. More than five percent of the county's investments are in the Federal Farm Credit Bank. These investments are 14.40 percent of the county's total investments.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Consolidated Annual Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html>.

### **TCRS Stabilization Trust**

**Legal Provisions.** Montgomery County's Public Employee Retirement Plan and the discretely presented Clarksville-Montgomery County School System's Teacher Retirement Plan are members of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The county and the school system have placed funds into the irrevocable trust as authorized by statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the county or the school system.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. Montgomery County and the Clarksville-Montgomery County School System may not impose any restrictions on investments placed by the trust on their behalf.

**Investment Balances.** Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no



restrictions on the sale or redemption of shares.

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest and dividend income. Interest income is recognized when earned. Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2020, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments where fair value is measured using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined to be calculated consistent with FASB principles for investment companies.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan’s custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded

securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2020, Montgomery County’s Public Employee Retirement Plan had the following investments held by the trust on its behalf.

Primary Government:

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 146,277
Developed Market International Equity	N/A	N/A	66,060
Emerging Market International Equity	N/A	N/A	18,874
U.S. Fixed Income	N/A	N/A	94,372
Real Estate	N/A	N/A	47,186
Short-term Securities	N/A	N/A	4,719
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>94,372</u>
Total			<u><u>\$ 471,860</u></u>

		Fair Value Measurements Using			
Investment by Fair Value Level	Fair Value 6-30-20	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
U.S. Equity	\$ 146,277	\$ 146,277	\$ 0	\$ 0	0
Developed Market					
International Equity	66,060	66,060	0	0	0
Emerging Market					
International Equity	18,874	18,874	0	0	0
U.S. Fixed Income	94,372	0	94,372	0	0
Real Estate	47,186	0	0	47,186	0
Short-term Securities	4,719	0	4,719	0	0
Private Equity and Strategic Lending	94,372	0	0	0	94,372
Total	\$ 471,860	\$ 231,211	\$ 99,091	\$ 47,186	\$ 94,372

School System:

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 149,429
Developed Market International Equity	N/A	N/A	67,484
Emerging Market International Equity	N/A	N/A	19,281
U.S. Fixed Income	N/A	N/A	96,406
Real Estate	N/A	N/A	48,203
Short-term Securities	N/A	N/A	4,820
NAV - Private Equity and Strategic Lending	N/A	N/A	96,406
Total			<u>\$ 482,029</u>

Investment by Fair Value level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 149,429	\$ 149,429	\$ 0	\$ 0	0
Developed Market					
International Equity	67,484	67,484	0	0	0
Emerging Market					
International Equity	19,281	19,281	0	0	0
U.S. Fixed Income	96,406	0	96,406	0	0
Real Estate	48,203	0	0	48,203	0
Short-term Securities	4,820	0	4,820	0	0
Private Equity and Strategic Lending	96,406	0	0	0	96,406
Total	\$ 482,029	\$ 236,194	\$ 101,226	\$ 48,203	\$ 96,406

At June 30, 2020, the discretely presented Clarksville-Montgomery County School System's Teacher Retirement Plan had the following investments held by the trust on its behalf.

School System:

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 678,440
Developed Market International Equity	N/A	N/A	306,392
Emerging Market International Equity	N/A	N/A	87,541
U.S. Fixed Income	N/A	N/A	437,703
Real Estate	N/A	N/A	218,852
Short-term Securities	N/A	N/A	21,885
NAV - Private Equity and Strategic Lending	N/A	N/A	437,703
Total			<u>\$ 2,188,516</u>

Investment by Fair Value Level	Fair Value Measurements Using					NAV		
	Fair Value	Quoted	Significant	Significant				
		Prices in					Other	Unobservable
		Active					Observable	Inputs
		Markets for					Inputs	Inputs
		Identical					Inputs	Inputs
	Fair Value	Assets	Inputs	Inputs				
	6-30-20	(Level 1)	(Level 2)	(Level 3)				
U.S. Equity	\$ 678,440	\$ 678,440	\$ 0	\$ 0	0			
Developed Market								
International Equity	306,392	306,392	0	0	0			
Emerging Market								
International Equity	87,541	87,541	0	0	0			
U.S. Fixed Income	437,703	0	437,703	0	0			
Real Estate	218,852	0	0	218,852	0			
Short-term Securities	21,885	0	21,885	0	0			
Private Equity and								
Strategic Lending	437,703	0	0	0	437,703			
Total	\$ 2,188,516	\$ 1,072,373	\$ 459,588	\$ 218,852	\$ 437,703			

**Risks and Uncertainties.** The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Montgomery County nor the Clarksville-Montgomery County School System has the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Montgomery County and the Clarksville-Montgomery County School System do not have the ability to limit the credit ratings of individual investments made by the trust.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Montgomery County and the Clarksville-Montgomery County School System places no limit on the amount the county may invest in one issuer.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county

will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of Montgomery County and the Clarksville-Montgomery County School System to pay retirement benefits of the county and school system employees.

For further information concerning the county and school system's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at:

<https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag19091.pdf>.

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2020, was as follows:

**Primary Government (Includes Internal Service Fund)**

**Governmental Activities:**

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 12,694,260	\$ 5,547,976	\$ 0	\$ 18,242,236
Construction in Progress	14,063,660	14,627,513	(5,557,446)	23,133,727
Total Capital Assets Not Depreciated	<u>\$ 26,757,920</u>	<u>\$ 20,175,489</u>	<u>\$ (5,557,446)</u>	<u>\$ 41,375,963</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 153,553,067	\$ 3,470,801	\$ (361,505)	\$ 156,662,363
Other Capital Assets	21,999,800	1,729,812	(272,537)	23,457,075
Intangibles	10,254,877	723,360	0	10,978,237
Infrastructure	58,691,647	6,471,611	(59,916)	65,103,342
Total Capital Assets Depreciated	<u>\$ 244,499,391</u>	<u>\$ 12,395,584</u>	<u>\$ (693,958)</u>	<u>\$ 256,201,017</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 46,991,262	\$ 4,219,139	\$ 0	\$ 51,210,401
Other Capital Assets	14,302,592	1,814,083	(176,195)	15,940,480
Intangibles	8,358,975	116,128	0	8,475,103
Infrastructure	20,152,790	634,460	0	20,787,250
Total Accumulated Depreciation	<u>\$ 89,805,619</u>	<u>\$ 6,783,810</u>	<u>\$ (176,195)</u>	<u>\$ 96,413,234</u>
Total Capital Assets Depreciated, Net	<u>\$ 154,693,772</u>	<u>\$ 5,611,774</u>	<u>\$ (517,763)</u>	<u>\$ 159,787,783</u>
Governmental Activities Capital Assets, Net	<u>\$ 181,451,692</u>	<u>\$ 25,787,263</u>	<u>\$ (6,075,209)</u>	<u>\$ 201,163,746</u>

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities:**

General Government	\$ 1,110,386
Finance	226,969
Administration of Justice	957,729
Public Safety	1,904,406
Public Health and Welfare	915,771
Social, Cultural, and Recreational Services	747,458
Agriculture and Natural Resources	41,310
Highway/Public Works	<u>879,781</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,783,810</u>

**Discretely Presented Clarksville-Montgomery County School System****Governmental Activities:**

	Balance 7-1-19		Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:					
Land	\$ 14,167,519	\$	0	\$ 0	\$ 14,167,519
Construction in Progress	424,491		2,943,643	(494,098)	2,874,036
Total Capital Assets Not Depreciated	<u>\$ 14,592,010</u>	<u>\$</u>	<u>2,943,643</u>	<u>\$ (494,098)</u>	<u>\$ 17,041,555</u>
Capital Assets Depreciated:					
Buildings and Improvements	\$ 421,537,776	\$	1,206,279	\$ 0	\$ 422,744,055
Other Capital Assets	41,155,168		4,090,685	(1,677,444)	43,568,409
Total Capital Assets Depreciated	<u>\$ 462,692,944</u>	<u>\$</u>	<u>5,296,964</u>	<u>\$ (1,677,444)</u>	<u>\$ 466,312,464</u>
Less Accumulated Depreciation For:					
Buildings and Improvements	\$ 144,239,469	\$	9,566,938	\$ 0	\$ 153,806,407
Other Capital Assets	22,733,826		2,594,563	(1,600,401)	23,727,988
Total Accumulated Depreciation	<u>\$ 166,973,295</u>	<u>\$</u>	<u>12,161,501</u>	<u>\$ (1,600,401)</u>	<u>\$ 177,534,395</u>
Total Capital Assets Depreciated, Net	<u>\$ 295,719,649</u>	<u>\$</u>	<u>(6,864,537)</u>	<u>\$ (77,043)</u>	<u>\$ 288,778,069</u>
Governmental Activities Capital Assets, Net	<u>\$ 310,311,659</u>	<u>\$</u>	<u>(3,920,894)</u>	<u>\$ (571,141)</u>	<u>\$ 305,819,624</u>

Depreciation expense was charged to functions of the discretely presented school system as follows:



**Governmental Activities:**

Instruction	\$ 149,150
Support Services	11,683,469
Operation of Non-instructional Services	<u>328,882</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 12,161,501</u>

**C. Construction Commitments**

At June 30, 2020, the General Capital Projects Fund had uncompleted construction contracts of approximately \$5,126,546 for various construction projects. Funding for these future expenditures is currently available or is expected to be received from property taxes.

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2020, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
Internal Service - Workers' Compensation	General	\$ 654,440
School System Component Unit:		
General Purpose School	Nonmajor governmental	1,010,788
Nonmajor governmental	General Purpose School	145,911

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

**Due to/from Primary Government and Component Unit:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Component Unit:	
Government-wide	School System:	
"	Nonmajor Governmental	\$ 364,788
	Government-wide	799,834
	Bi-County Solid Waste	
	Management System	2,185,000
Internal Service - Self-Insurance	School System:	
"	General Purpose School	52,493
	Nonmajor Governmental	3,720

### Interfund Transfers:

Interfund transfers for the year ended June 30, 2020, consisted of the following amounts:

#### Discretely Presented Clarksville-Montgomery County School System:

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Nonmajor Governmental Funds	
Nonmajor governmental funds	\$ 579,121	\$ 0	Indirect costs
"	0	1,291,137	Salaries

The School Federal Projects Fund transferred \$1,291,137 to the School Transportation Fund for reimbursement of salaries of bus drivers and aides.

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

### E. Capital Leases

On May 31, 2017, Montgomery County entered into a three-year lease-purchase agreement for the school system for teacher laptops. The terms of the agreement require total lease payments of \$435,000 plus interest of 1.703 percent. The General Purpose School Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On July 1, 2017, Montgomery County entered into a three-year lease-purchase agreement for the school system for student laptops. The terms of the agreement require total lease payments of \$2,000,000 plus interest of 1.703 percent. The General Purpose School Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On September 12, 2017, Montgomery County entered into a three-year lease-purchase agreement for the school system for computers. The terms of the agreement require total lease payments of \$1,168,309 plus interest of 1.703 percent. The General Purpose School Fund is making the lease payments. In the government-wide financial statements, the computers were expensed in

the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On August 1, 2018, Montgomery County entered into a three-year lease-purchase agreement for the school system for student laptops. The terms of the agreement require total lease payments of \$1,268,052 plus interest of 4.868 percent. The General Debt Service Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On May 15, 2019, Montgomery County entered into a three-year lease-purchase agreement for the school system for IT equipment. The terms of the agreement require total lease payments of \$3,731,958 plus interest of 2.63 percent. The General Debt Service Fund is making the lease payments. In the government-wide financial statements, the equipment was expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On June 1, 2019, Montgomery County entered into a three-year lease-purchase agreement for the school system for student laptops. The terms of the agreement require total lease payments of \$226,997 plus interest of 4.868 percent. The General Debt Service Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On February 19, 2020, Montgomery County entered into a three-year lease-purchase agreement for the school system for laptops. The terms of the agreement require total lease payments of \$13,133,483 plus interest of 1.985 percent. The General Debt Service Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

On March 1, 2020, Montgomery County entered into a three-year lease-purchase agreement for the school system for laptops. The terms of the agreement require total lease payments of \$1,223,128 plus interest of 3.6563 percent. The General Debt Service Fund is making the lease payments. In the government-wide financial statements, the laptops were expensed in the year of acquisition because the items did not meet criteria of the county's capitalization policy.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30	Governmental Funds
2021	\$ 6,283,522
2022	5,469,961
2023	<u>2,559,804</u>
Total Minimum Lease Payments	\$ 14,313,287
Less: Amount Representing Interest	<u>(644,782)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 13,668,505</u></u>

**F. Long-term Debt**

**Primary Government**

General Obligation Bonds - Montgomery County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school system. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Montgomery County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school system. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes, and other loans outstanding were issued for original terms of up to 3 years for notes and up to 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, other loans, and capital leases outstanding as of June 30, 2020, for governmental activities are as follows:

Type	Interest Rate		Final Maturity		Original Amount of Issue		Balance 6-30-20
General Obligation Bonds	2 to 5	%	6-30-38	\$	125,825,000	\$	80,745,000
General Obligation Bonds - Refunding	2 to 5		6-1-40		276,370,000		178,595,000
Direct Borrowing and Direct Placement:							
Capital Outlay Notes	1.605		3-3-22		7,500,000		7,500,000
Other Loans	0 to 1.515		7-1-26		23,763,987		7,857,894
Capital Leases	1.703 to 4.868		3-1-23		22,751,927		13,668,505

In prior years, Montgomery County entered into a loan agreement with the Tennessee State School Bond Authority. Under this loan agreement, the authority borrowed \$3,763,987 (Series 2005) Qualified Zone Academy Bonds and loaned the proceeds to Montgomery County for various renovation and construction projects. This loan is repayable at zero percent interest with annual administrative fees of \$1,246.

Qualified School Construction Bonds were issued through the State of Tennessee, and the proceeds were loaned to Montgomery County and various other local governments across Tennessee. The county pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee. The county and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status on the bonds. This would result in further charges to the borrowers including the requirement to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent.

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2020, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 31,070,000	\$ 10,539,191	\$ 41,609,191
2022	28,730,000	9,082,813	37,812,813
2023	28,480,000	7,912,663	36,392,663
2024	28,535,000	6,679,564	35,214,564
2025	25,140,000	5,577,163	30,717,163
2026-2030	72,165,000	15,401,199	87,566,199
2031-2035	32,500,000	5,804,408	38,304,408
2036-2040	12,720,000	958,537	13,678,537

Total	\$ 259,340,000	\$ 61,955,538	\$ 321,295,538
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Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 0	\$ 210,322	\$ 210,322
2022	7,500,000	30,428	7,530,428
Total	\$ 7,500,000	\$ 240,750	\$ 7,740,750

Year Ending June 30	Other Loans - Direct placement			
	Principal	Interest	Other Fees	Total
2021	\$ 1,377,556	\$ 303,000	\$ 21,246	\$ 1,701,802
2022	1,247,969	303,000	20,000	1,570,969
2023	1,247,969	303,000	20,000	1,570,969
2024	1,247,969	303,000	20,000	1,570,969
2025	1,247,969	303,000	20,000	1,570,969
2026-2027	1,488,462	328,250	25,000	1,841,712
Total	\$ 7,857,894	\$ 1,843,250	\$ 126,246	\$ 9,827,390

There is \$34,909,903 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,505, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, capital leases, and unamortized debt premiums, totaled \$1,823, based on the 2010 federal census.

The school system and Bi-County Solid Waste Management System, component units, are currently contributing funds to service some of the debt issued on their behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the primary government in the financial statements of the school system and Bi-County Solid Waste Management System and as Due from Component

Units in the government-wide financial statements of the primary government.

Description of Debt	Outstanding 6-30-20
<u>Capital Leases - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Student Laptops	\$ 504,896
Computers	294,938
<u>Bonds Payable</u>	
<u>Contributions from the Bi-County Solid Waste Management System</u>	
General Obligation Refunding and Improvement	690,000
General Obligation Refunding and Improvement	<u>1,495,000</u>
Total	<u>\$ 2,984,834</u>

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2020, was as follows:

Governmental Activities:	Bonds	Capital Leases - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2019	\$ 271,100,000	\$ 5,162,076	\$ 9,365,463
Additions	23,500,000	14,747,569	0
Reductions	<u>(35,260,000)</u>	<u>(6,241,140)</u>	<u>(1,507,569)</u>
Balance, June 30, 2020	<u>\$ 259,340,000</u>	<u>\$ 13,668,505</u>	<u>\$ 7,857,894</u>
Balance Due Within One Year	<u>\$ 31,070,000</u>	<u>\$ 5,935,271</u>	<u>\$ 1,377,556</u>

Governmental Activities:

	Notes - Direct Placement
Balance, July 1, 2019	\$ 0
Additions	11,800,000
Reductions	<u>(4,300,000)</u>
Balance, June 30, 2020	<u>\$ 7,500,000</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 288,366,399
Less: Balance Due Within One Year - Debt	(38,382,827)
Add: Unamortized Premium on Debt	<u>25,864,759</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 275,848,331</u>

Current Refunding

On May 15, 2020, Montgomery County refunded general obligation bonds and a capital outlay note. The county issued \$23,500,000 of general obligation refunding and improvement bonds to provide resources to call and redeem the general obligation bonds, retire the capital outlay note, and provide funding for various county and school capital projects. Because of the refunding, an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$642,587 was obtained.

Defeasance of Prior Debt

In prior years, Montgomery County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2020, the following outstanding bonds are considered defeased:

	<u>Amount</u>
2008 General Obligation Industrial Park Bonds	\$ 8,375,000
2011 General Obligation School & Public Improvement Bonds	25,900,000



**G. Long-term Obligations**

**Changes in Long-term Obligations**

Long-term obligations activity for the year ended June 30, 2020, was as follows:

Governmental Activities:	Internal Service Claims and Judgments		Compensated Absences	Other Postemployment Benefits	
Balance, July 1, 2019	\$	5,106,910	\$	3,513,421	\$ 16,573,278
Additions		62,810,275		4,968,370	5,630,399
Reductions		(62,560,607)		(4,470,695)	(596,217)
Balance, June 30, 2020	\$	5,356,578	\$	4,011,096	\$ 21,607,460
Balance Due Within One Year	\$	2,678,289	\$	3,109,787	\$ 0

Analysis of Noncurrent Liabilities - Other - Presented on Exhibit A:

Total Noncurrent Liabilities - Other - June 30, 2020	\$ 30,975,134
Less: Due Within One Year - Other	<u>(5,788,076)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 25,187,058</u>

The internal service funds primarily serve the governmental funds. Accordingly, claims and judgments for the internal service funds are included as part of the above totals for governmental activities. Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

**Discretely Presented Clarksville-Montgomery County School System**

**Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented Clarksville-Montgomery County School System for the year ended June 30, 2020, was as follows:

Governmental Activities:	Other		
	Postemployment	Compensated	Claims and
	Benefits	Absences	Judgments
Balance, July 1, 2019	\$ 33,774,211	\$ 1,959,302	\$ 160,800
Additions	4,179,879	3,084,040	187,792
Reductions	(2,255,597)	(1,701,776)	(165,292)
Balance, June 30, 2020	<u>\$ 35,698,493</u>	<u>\$ 3,341,566</u>	<u>\$ 183,300</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 3,241,319</u>	<u>\$ 119,300</u>

Analysis of Noncurrent Liabilities - Other - Presented on Exhibit A:

Total Noncurrent Liabilities - Other - June 30, 2020	\$ 39,223,359
Less: Due Within One Year - Other	<u>(3,360,619)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 35,862,740</u>

Claims and judgments for the school system's workers' compensation program will be retired primarily from the General Purpose School Fund. Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Transportation funds.

## V. OTHER INFORMATION

### A. Risk Management

Montgomery County, the Clarksville-Montgomery County School System, the Bi-County Solid Waste Management System, the Emergency Communications District of Montgomery County, and the Clarksville-Montgomery County Public Library, component units, have chosen to establish the Self-insurance Fund for risks associated with the employees' health insurance plan. The Self-insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$600,000 per specific loss. The county obtained a stop/loss commercial insurance policy to cover claims beyond this liability. The reinsurance carrier will cover 85 percent of paid claims exceeding \$600,000 per specific loss to an unlimited maximum less the county's deductible.

All full-time and certain part-time employees of the primary government and the above-noted discretely presented component units are eligible to participate. A premium charge is allocated to each fund that accounts for all eligible participating employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. Liabilities of the fund are reported when it

is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Self-insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-19	\$ 4,241,131	\$ 59,121,672	\$ (58,533,093)	\$ 4,829,710
2019-20	4,829,710	62,266,270	(62,168,402)	4,927,578

Montgomery County has decided to maintain a self-insurance plan for risks associated with workers' compensation claims. Claims are paid from the Workers' Compensation Fund. The county administers this plan internally instead of contracting out this service. The county retains the risk of loss to a limit of \$300,000 per specific loss. All employees of Montgomery County, the Bi-County Solid Waste Management System, the Emergency Communications District of Montgomery County, and the Clarksville-Montgomery County Public Library participate. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-19	\$ 223,000	\$ 200,494	\$ (204,494)	\$ 219,000
2019-20	219,000	295,790	(236,790)	278,000

On December 1, 2004, Montgomery County decided to establish an on-the-job injury program for risks associated with workplace injury. The on-the-job injury program is accounted for in the Workers' Compensation Fund (internal service fund) where assets are set aside for claims settlements. All employees of the primary government, the Emergency Communications District of

Montgomery County, the Bi-County Solid Waste Management System, and the Clarksville-Montgomery County Library are eligible to participate. Qualified individuals shall receive a portion of their salary, not to exceed six months of benefits, provided there is medical documentation from a county-designated physician. Benefits shall not extend beyond one calendar year from the date of injury or illness unless a catastrophic incident has occurred. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the current fiscal year are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-19	\$ 57,900	\$ 116,075	\$ (115,775)	\$ 58,200
2019-20	58,200	236,572	(143,772)	151,000

Montgomery County, the Clarksville-Montgomery County School System, the Emergency Communications District of Montgomery County, the Bi-County Solid Waste Management System, and the Clarksville-Montgomery County Library decided to maintain a self-insurance plan for risks associated with unemployment compensation claims. The county and the above-noted component units participate in the unemployment compensation program administered by the State of Tennessee. The fund is financed from interest earnings, and each fund is assessed for excess claims filed.

Montgomery County is exposed to various risks related to general liability, property, and casualty losses. Officials decided it was more economically feasible to join a public entity risk pool for general liability, property, and casualty insurance coverage. Montgomery County joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. Montgomery County pays annual premiums to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies.

It is the policy of the Clarksville-Montgomery County School System to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, and casualty losses. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The school system decided to maintain a self-insurance plan for risks associated with workers' compensation claims made prior to January 1, 2006. Claims are paid from the General Purpose School Fund, and the plan is

administered by Brentwood Services. The school system retains the risk of loss to a limit of \$275,000 per specific loss. The school system has obtained a stop/loss commercial insurance policy to cover claims beyond this liability.

All employees of the school system participate. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-19	\$ 141,000	\$ 0	\$ (18,000)	\$ 123,000
2019-20	123,000	14,981	(9,981)	128,000

On January 1, 2006, the school system decided to establish an on-the-job injury program for risks associated with workplace injury. The on-the-job injury program is accounted for in the General Purpose School Fund where assets are set aside for claims settlements. All employees of the school system are eligible to participate. Qualified individuals shall receive a portion of their salary, not to exceed three months of benefits, provided there is medical documentation from a county-designated physician. Benefits shall not extend beyond one calendar year from the date of injury or illness. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-19	\$ 50,100	\$ 393,166	\$ (405,466)	\$ 37,800
2019-20	37,800	172,811	(155,311)	55,300

## **B. Contingent Liabilities**

The county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by

insurance resulting from such litigation would not materially affect the county's financial statements.

**C. Change in Administration**

On June 21, 2020, Mike Frost, Highway Supervisor, died. Monty Fleet served as Acting Highway Supervisor.

**D. Landfill Closure/Postclosure Care Costs**

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Bi-County Solid Waste Management System, a component unit, will report a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

**E. Joint Ventures**

The Montgomery County Rail Service Authority provides a continuation of rail service within the area of Montgomery County, and its governing body comprises four members. The county mayor serves as a member of the authority and appoints another member subject to the county commission's approval. The mayor of the City of Clarksville serves as a member and appoints another member subject to the Clarksville City Council's approval. State grants provide the majority of funding for the rail authority.

Montgomery County and the City of Clarksville jointly created the Clarksville Montgomery County Airport and the Clarksville-Montgomery County Regional Planning Commission. These joint ventures are operated by county/city-appointed boards/commissions for the benefit of all citizens of the two entities. Montgomery County has control over budgeting and financing the joint ventures only to the extent of representation by the board members appointed. Each entity is responsible for funding 50 percent of any deficits from operations if not covered by prior earnings. Montgomery County contributed \$379,620 for the operations of the airport and \$460,147 for the operations of the planning commission during the year ended June 30, 2020.

The Joint Economic and Community Development Board is a joint venture between Montgomery County and the City of Clarksville. The board comprises the county mayor, city mayor, and several additional members. The purpose of the board is to foster communications relative to economic and community development between and among governmental entities, industry, and private citizens. The county and city will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county when financial activity begins. Montgomery County did not appropriate any funds to the Economic and Community

Development Board during the 2019-2020 year.

The Clarksville-Montgomery County Sports Authority promotes and develops sports and recreational opportunities in Montgomery County. The county and the City of Clarksville jointly appoint the nine-member board. Montgomery County has control over budgeting and financing the joint venture only to the extent of representation by the board members appointed.

The Nineteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Nineteenth Judicial District and Montgomery County. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general and the Montgomery County Sheriff. Montgomery County did not appropriate any funds to the DTF during the 2019-2020 year.

Montgomery County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the joint ventures can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Montgomery County Rail Service Authority  
Montgomery County Mayor  
P.O. Box 368  
Clarksville, TN 37040

Clarksville-Montgomery County Airport  
200 Airport Road  
Clarksville, TN 37042

Clarksville-Montgomery County Regional  
Planning Commission  
329 Main Street  
Clarksville, TN 37040

Economic and Community Development Board  
329 Main Street  
Clarksville, TN 37040

Montgomery County Sports Authority  
c/o Economic Development Council  
310 Franklin Street  
Clarksville, TN 37040

Office of District Attorney General  
Nineteenth Judicial District Drug Task Force  
P.O. Box 3203  
Clarksville, TN 37043

**F. Jointly Governed Organization**

The county and the City of Clarksville jointly appoint the 13-member board of the Clarksville-Montgomery County Community Health Foundation, Inc. The foundation is designed to facilitate activities that promote the general health of the community. The county and city do not have any ongoing financial interest or responsibility for the foundation.

**G. Retirement Commitments**

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Montgomery County and non-certified employees of the discretely presented Clarksville-Montgomery County School System with membership in the TCRS before January 1, 2018, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Public Employee Legacy Pension Plan is closed to new membership. Employees of Montgomery County and non-certified employees of the discretely presented Clarksville-Montgomery County School System with membership in the TCRS after January 1, 2017, are provided with pensions through a legally separate plan, referred to as the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).



## **Public Employee Legacy Pension Plan**

*Plan Description.* Employees of Montgomery County and non-certified employees of the discretely presented Clarksville-Montgomery County School System with membership in the TCRS before January 1, 2017, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Public Employee Legacy Pension Plan was closed to new membership on December 31, 2016, but will continue providing benefits to existing members and retirees. The primary government employees comprise 49.73 percent and the non-certified employees of the discretely presented school system comprise 50.27 percent of the Public Employee Legacy Pension Plan based on contribution data.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,273
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,435
Active Employees	1,882
Total	<u><u>4,590</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Montgomery County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contribution for Montgomery County was \$9,401,621 for the Public Employee Legacy Pension Plan based on a rate of 13.91 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Montgomery County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

#### **Net Pension Liability (Asset)**

Montgomery County's net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69	% 31
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will

be made at the current rate and that contributions from Montgomery County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 266,966,340	\$ 270,125,044	\$ (3,158,704)
Changes for the Year:			
Service Cost	\$ 6,140,553	\$ 0	\$ 6,140,553
Interest	19,437,675	0	19,437,675
Differences Between Expected and Actual Experience	(2,568,834)	0	(2,568,834)
Contributions-Employer	0	8,912,033	(8,912,033)
Contributions-Employees	0	13,774	(13,774)
Net Investment Income	0	20,066,883	(20,066,883)
Benefit Payments, Including Refunds of Employee Contributions	(10,002,068)	(10,002,068)	0
Administrative Expense	0	(173,674)	173,674
Net Changes	\$ 13,007,326	\$ 18,816,948	\$ (5,809,622)
Balance, June 30, 2019	\$ 279,973,666	\$ 288,941,992	\$ (8,968,326)

### Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	49.73%	\$ 139,230,904	\$ 143,690,853	\$ (4,459,949)
School System	50.27%	140,742,762	145,251,139	(4,508,377)
Total		\$ 279,973,666	\$ 288,941,992	\$ (8,968,326)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Montgomery County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 28,281,466	\$ (8,968,326)	\$ (39,953,968)

### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

*Pension Expense.* For the year ended June 30, 2020, Montgomery County recognized pension expense of \$7,599,316.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, Montgomery County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,341,322	\$ 4,195,466
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,325,893
Changes in Assumptions	2,736,327	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	9,401,621	N/A
Total	<u>\$ 13,479,270</u>	<u>\$ 7,521,359</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and  
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 6,822,866	\$ 3,740,372
School System	6,656,404	3,780,987
Total	<u>\$ 13,479,270</u>	<u>\$ 7,521,359</u>

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (428,913)
2022	(2,678,838)
2023	(11,574)
2024	(324,391)
2025	0
Thereafter	0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

### **Primary Government**

### **Public Employee Retirement Plan**

#### **General Information About the Retirement Plan**

*Plan Description.* As noted above under the primary government, beginning January 1, 2018, the Public Employee Retirement Plan became effective for employees of Montgomery County and non-certified employees of the school system hired after January 1, 2017. The primary government employees comprise 48.47 percent and the non-certified employees of the discretely presented school system comprise 51.53 percent of the plan based on contribution data.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80 in which the member's age and service credits total 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous

year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	293
Active Employees	779
Total	<u><u>1,072</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Montgomery County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation and statutory provisions. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of Montgomery County if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Public Employee Retirement Plan were \$552,212, which is 2.03 percent of covered payroll. In addition, employer contributions of \$481,626, which is 1.94 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.



**Pension Liabilities (Assets) Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Liabilities (Assets).* Montgomery County's net pension liability (asset) was measured at June 30, 2019, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.46% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Montgomery County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 621,563	\$ 798,177	\$ (176,614)
Changes for the Year:			
Service Cost	\$ 652,395	\$ 0	\$ 652,395
Interest	91,799	0	91,799
Differences Between Expected and Actual Experience	452,945	0	452,945
Contributions-Employer	0	238,121	(238,121)
Contributions-Employees	0	839,045	(839,045)
Net Investment Income	0	96,570	(96,570)
Benefit Payments, Including Refunds of Employee Contributions	(15,540)	(15,540)	0
Administrative Expense	0	(64,117)	64,117
Net Changes	\$ 1,181,599	\$ 1,094,079	\$ 87,520
Balance, June 30, 2019	\$ 1,803,162	\$ 1,892,256	\$ (89,094)

### Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 48.47%	\$ 873,993	\$ 917,176	\$ (43,184)
School System 51.53%	929,169	975,080	(45,910)
Total	\$ 1,803,162	\$ 1,892,256	\$ (89,094)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Montgomery County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1%	Current Discount Rate	1% Increase
	Decrease	7.25%	8.25%
	6.25%		

Net Pension Liability (Asset)     \$   394,168   \$   (89,094)   \$   (448,983)

**Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2020, Montgomery County recognized pension expense (negative pension expense) of (\$36,953).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, Montgomery County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$   715,450	\$            0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		0            5,136
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	<u>552,212</u>	<u>N/A</u>
Total	<u>\$   1,267,662</u>	<u>\$            5,136</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and  
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 620,511	\$ 2,489
School System	647,151	2,647
Total	\$ 1,267,662	\$ 5,136

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ 87,809
2022	87,809
2023	88,051
2024	88,923
2025	89,431
Thereafter	268,293

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

**Discretely Presented Clarksville-Montgomery County School System**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Montgomery County and non-certified employees of the discretely presented Clarksville-Montgomery County School System hired before January 1, 2017, are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 49.73 percent and the non-certified employees of the discretely presented school system comprise 50.27 percent of the plan based on contribution data. Beginning

January 1, 2017, the Public Employee Pension Plan became effective for employees of Montgomery County and non-certified employees of the school system hired after January 1, 2017. The primary government employees comprise 48.47 percent and the non-certified employees of the discretely presented school system comprise 51.53 percent of the plan based on contribution data.

### **Certified Employees**

#### **Teacher Retirement Plan**

##### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Clarksville-Montgomery County School System with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants

retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$1,204,139, which is 2.03 percent of covered payroll. In addition, employer contributions of \$1,095,402 which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### **Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Liabilities (Assets).* At June 30, 2020, the school system reported a liability (asset) of (\$2,580,139) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school system's proportion of the net pension liability (asset) was based on the school system's share of contributions to the pension plan relative to the contributions

of all participating LEAs. At the measurement date of June 30, 2019, the school system's proportion was 4.570773 percent. The proportion as of June 30, 2018, was 4.369288 percent.

*Pension Expense.* For the year ended June 30, 2020, the school system recognized pension expense of \$796,871.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school system reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 106,983	\$ 450,419
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	109,084
Changes in Assumptions	89,647	0
Changes in Proportion of Net Pension Liability (Asset)	4,242	149,278
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	1,204,139	N/A
Total	\$ 1,405,011	\$ 708,781

The school system's employer contributions of \$1,204,139, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (67,556)
2022	(84,246)
2023	(53,648)
2024	(38,048)
2025	(33,603)
Thereafter	(230,809)

In the table above, positive amounts will increase pension expense,



while negative amounts will decrease pension expense.

*Actuarial Assumptions.* The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school system's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school system's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	6.25%	7.25%	8.25%

Net Pension Liability (Asset) \$ 817,488 \$ (2,580,139) \$ (5,091,616)

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

### **Teacher Legacy Pension Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Clarksville-Montgomery County School System with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service

credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Clarksville-Montgomery County School System for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$10,529,036, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### **Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Liability (Assets).* At June 30, 2020, the school system reported a liability (asset) of (\$31,264,172) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school system's proportion of the net pension liability (asset) was based on the school system's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school system's proportion was 3.040729 percent. The proportion measured at June 30, 2018, was 2.985305 percent.

*Pension Expense.* For the year ended June 30, 2020, the school system recognized pension expense of \$4,247,824.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school system reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,522,173	\$ 19,096,777
Changes in Assumptions	4,213,008	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	8,932,776
Changes in Proportion of Net Pension Liability (Asset)	284,789	286,340
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	10,529,036	N/A
Total	<u>\$ 16,549,006</u>	<u>\$ 28,315,893</u>

The school system's employer contributions of \$10,529,036 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (6,303,645)
2022	(9,057,467)
2023	(3,960,454)
2024	(2,974,357)
2025	0
Thereafter	0

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

*Actuarial Assumptions.* The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school system's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school system's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	6.25%	7.25%	8.25%

Net Pension Liability (Asset)    \$ 63,926,200    \$ (31,264,172)    \$ (106,985,474)

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

## 2. **Deferred Compensation – Primary Government**

Montgomery County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Employees hired after January 1, 2017, by the primary government are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the primary government contribute five percent of each employee's salary into their deferred compensation plan. In addition, employees are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the primary government contributed \$625,259 to this deferred compensation pension plan.

## 3. **Deferred Compensation – Discretely Presented Clarksville-Montgomery County School System**

The discretely presented Clarksville-Montgomery County School System offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding this program are the responsibility of plan participants. The Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 403(b) establishes participation, contribution, and withdrawal provisions for the plans.



Teachers hired after July 1, 2014, and non-certified employees hired after January 1, 2017, by the school system are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school system contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school system contributed \$3,588,393 to this deferred compensation pension plan.

#### **H. Other Postemployment Benefits (OPEB)**

Montgomery County, the discretely presented Clarksville-Montgomery County School System, the Bi-county Solid Waste Management System, the Clarksville-Montgomery County Public Library, the Emergency Communications District of Montgomery County (component units), and the Clarksville-Montgomery County Regional Planning Commission (a joint venture) provide OPEB benefits to their retirees through commercial insurance plans administered by Blue Cross Blue Shield of Tennessee. For reporting purposes, the plans are considered single-employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

##### **Commercial Postemployment Benefits Plan – Primary Government**

*Plan Description.* All full-time employees and eligible retirees of Montgomery County, the Bi-county Solid Waste Management System, the Clarksville-Montgomery County Public Library, the Emergency Communications District of Montgomery County (component units), and the Clarksville-Montgomery County Regional Planning Commission (a joint venture) are eligible to participate in the health insurance plan accounted for in the Self-Insurance Fund (internal service fund).

The premium requirements of plan members are established and may be amended by the 17-member insurance committee. The committee is comprised of 4 members appointed by the County Mayor with the approval of the county commission to represent Montgomery County employees, the current on-site medical administrator, and 12 members appointed by the Director of Schools (3 elementary school certified employees, 2 middle school certified employees, 2 high school certified employees, 2 members to represent classified employees, 2 administrative members to serve as representatives of the Board of Education, and one other appointed by the Director of Schools). The plan is self-insured and financed on a pay-as-you-go

basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The insurance committee develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums.

*Benefits Provided.* The plan provides healthcare, dental, and vision insurance benefits to retirees and their dependents if the retiree has at least 30 years of creditable service with Tennessee Consolidated Retirement System or at age 55, with a minimum of 20 years with Montgomery County and participation in the group medical insurance for at least the last 2 years prior to retirement.

For employees of Montgomery County, the Bi-county Solid Waste Management System, the Clarksville-Montgomery County Public Library, and the Emergency Communications District of Montgomery County hired prior to July 1, 2016, the benefit terms for health and dental insurance provide for the primary government to pay 85 percent of the plan premium if the retiree is within 120 months of Medicare eligibility, 80 percent of the plan premium if the retiree is 121-132 months from Medicare eligibility, 75 percent if the retiree is 133-144 months from Medicare eligibility, 70 percent if the retiree is 145-156 months from Medicare eligibility, 65 percent if the retiree is 157-168 months from Medicare eligibility, and 60 percent if the employee is 169-180 months from Medicare eligibility. The retiree pays the full premium on vision insurance. Dependents of the retiree are permitted to remain on the plan until age 26 and spouses may remain on the plan until they become Medicare eligible.

For employees of the Clarksville-Montgomery County Regional Planning Commission hired prior to July 1, 2016, the benefit terms for health insurance provide for the primary government to pay 75 percent of the plan premium for the first 24 months after retirement, 70 percent of the plan premium for 25 to 60 months after retirement, 50 percent of the plan premium for 61 to 120 months after retirement, and 0 percent of the plan premium more than 120 months subsequent to retirement. Dental and vision insurance are not provided to Planning Commission retirees. Dependents of the retiree are permitted to remain on the health plan until age 26 and spouses may remain on the plan until they become Medicare eligible.

For all employees hired after July 1, 2016, benefit terms for health and dental insurance provide for the primary government to pay 50 percent of the premium rate set at retirement. Increases to the premium subsequent to retirement are the responsibility of the retiree.

### Employees Covered by Benefit Terms

At the valuation date of July 1, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	30
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	1,234
Total	<u>1,264</u>

### **Total OPEB Liability**

The plan's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Methods.* The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.66%
Inflation Rate	No factor was included for inflation
Salary Increases	4.00%
Healthcare Cost Trend Rate	7.25% for medical graded down to 6.5% over 3 years; 5% for dental; 5% for administrative fees; 5% for stop loss
Future Participation Rates	20% to 60% depending on age at retirement

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on Mortality Table RP-2014 projected with Mortality Improvement Scale MP-2019.

The actuarial assumptions used in the June 30, 2020, valuation were based on plan data and costs presented by the primary government with concurrence by the actuary.

### Changes in the Total OPEB Liability

	Share of Collective Liability		
	Primary Government	Bi-County	Public Library
Balance July 1, 2019	\$ 16,573,278	\$ 1,925,560	\$ 540,908
Changes for the Year:			
Service Cost	\$ 1,698,770	\$ 155,752	\$ 39,228
Interest	470,177	52,698	14,786
Difference Between Expected and Actual Experience	3,239,983	516,459	(111,697)
Changes of Assumptions	221,469	(146,047)	31,426
Benefit Payments/Refunds	(596,217)	(100,170)	(24,272)
Net Changes	\$ 5,034,182	\$ 478,692	\$ (50,529)
Balance June 30, 2020	\$ 21,607,460	\$ 2,404,252	\$ 490,379

	Share of Collective Liability		
	Planning Commission	E-911	Total
Balance July 1, 2019	\$ 542,621	\$ 1,256,252	\$ 20,838,619
Changes for the Year:			
Service Cost	\$ 26,119	\$ 51,089	\$ 1,970,958
Interest	13,975	34,726	586,362
Difference Between Expected and Actual Experience	34,696	(493,275)	3,186,166
Changes of Assumptions	(59,842)	(125,229)	(78,223)
Benefit Payments/Refunds	(43,352)	(1,900)	(765,911)
Net Changes	\$ (28,404)	\$ (534,589)	\$ 4,899,352
Balance June 30, 2020	\$ 514,217	\$ 721,663	\$ 25,737,971

During the year, the plan member's proportionate share of the collective OPEB liability was as follows: Primary Government 83.95 percent, Bi-county Solid Waste Management System 9.34 percent, Clarksville-Montgomery County Public Library 1.91 percent, Clarksville-Montgomery County Regional Planning Commission 2.00 percent, and Emergency Communications District of Montgomery County 2.80 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the plan recognized a net OPEB expense of \$3,122,401, which was allocated as follows: Primary Government \$3,495,624, Bi-county Solid Waste Management System \$341,325, Clarksville-Montgomery County Public Library \$(74,706), Clarksville-Montgomery County Regional Planning Commission \$(35,855), and Emergency Communications District of Montgomery County \$(603,987). At

June 30, 2020, the plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,606,863	\$ 0
Changes in Assumptions	0	64,001
Total	<u>\$ 2,606,863</u>	<u>\$ 64,001</u>

Allocation of OPEB Plan Deferred Outflows of Resources and  
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,188,505	\$ 53,730
Bi-County Solid Waste	243,515	5,978
Public Library	49,668	1,219
Regional Planning Commission	52,082	1,279
Emergency Communications District	73,093	1,795
Total	<u>\$ 2,606,863</u>	<u>\$ 64,001</u>

Amounts reported as deferred inflows and deferred outflows of resources (excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Primary Government	Bi-County Solid Waste	Public Library
2021	\$ 474,385	\$ 52,779	\$ 10,793
2022	474,385	52,779	10,793
2023	474,385	52,779	10,793
2024	474,385	52,779	10,793
2025	237,191	26,389	5,396
Thereafter	0	0	0

Year Ending June 30	Regional Planning Commission	Emergency Communications District	Total
2021	\$ 11,302	\$ 15,822	\$ 565,081
2022	11,302	15,822	565,081
2023	11,302	15,822	565,081
2024	11,302	15,822	565,081
2025	5,651	7,911	282,538
Thereafter	0	0	0

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the proportionate share of the total OPEB liability of the plan members calculated using the discount rate of 2.66 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current rate:

	1% Decrease 1.66%	Discount Rate 2.66%	1% Increase 3.66%
Primary Government	\$ 23,629,016	\$ 21,607,460	\$ 19,744,844
Bi-County Solid Waste	2,628,886	2,404,252	2,199,099
Public Library	537,599	490,379	446,876
Regional Planning Commission	562,931	514,217	470,395
Emergency Communications District	788,103	721,663	658,553

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the proportionate share of the total OPEB liability of the plan members calculated using the healthcare cost trend rate of 6.25 percent decreasing to 3 percent over 75 years, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Trend Rates	1% Increase
	6.25% decreasing to 3% over 75 years	7.25% decreasing to 4% over 75 years	8.25% decreasing to 5% over 75 years
Primary Government	\$ 18,868,901	\$ 21,607,460	\$ 24,890,641
Bi-County Solid Waste	2,101,539	2,404,252	2,772,216
Public Library	427,051	490,379	563,338
Regional Planning Commission			
Commission	449,527	514,217	592,987
Emergency Communications			
District	629,338	721,663	830,182

**Commercial Postemployment Benefits Plan – Discretely Presented  
Clarksville-Montgomery County School System**

*Plan Description.* All full-time employees and eligible retirees of the Clarksville-Montgomery County School System are eligible to participate in the health insurance plan accounted for in the Self-Insurance Fund (internal service fund).

The premium requirements of plan members are established and may be amended by the 17-member insurance committee. The committee is comprised of 4 members appointed by the County Mayor with the approval of the County Commission to represent Montgomery County employees, the current on-site medical administrator, and 12 members appointed by the Director of Schools (3 elementary school certified employees, 2 middle school certified employees, 2 high school certified employees, 2 members to represent classified employees, 2 administrative members to serve as representatives of the Board of Education, and one other appointed by the Director of Schools). The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The insurance committee develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums.

*Benefits Provided.* The plan provides healthcare, dental, and vision insurance benefits to retirees and their dependents if the retiree has at least 30 years of creditable service with Tennessee Consolidated Retirement System or at age 55, with a minimum of 20 years with the Clarksville-Montgomery County School System and participation in the group medical insurance for at least the last 3 years prior to retirement.

The benefit terms for health insurance provide for the school system to pay 50 percent of the premium cost at the time of retirement. Any increase in the cost of insurance during the retiree's eligible participation period would be the sole responsibility of the retiree. The retiree is eligible to stay on vision

and dental insurance, but the retiree is responsible for the full premium. Dependents and spouses of the retiree are permitted to remain on the plan, however, the school system's contributions will cease once the retired employee becomes Medicare eligible or participates a maximum of 10 years, whichever comes first. At this point, the spouse may remain on the policy until age 65 and qualified dependent children may remain on the policy, with the full premium cost being the responsibility of the retiree. Lastly, for certified employees with 20 years of service hired prior to July 1, 2007, the school system provides postemployment life insurance benefits. The school system pays 100 percent of the life insurance premium on a \$7,000 policy until death of the retiree.

#### Employees Covered by Benefit Terms

At the valuation date of July 1, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	793
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	3,477
Total	<u><u>4,270</u></u>

#### **Total OPEB Liability**

The discretely presented school system's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2019, that was rolled forward to the measurement date.

*Actuarial Assumptions and Methods.* The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Discount Rate	2.79%
Inflation Rate	No factor was included for inflation
Salary Increases	3.00%
Healthcare Cost Trend Rate	Medical: 7.5% graded uniformly to 6.5% over 3 years and following the Getzen model thereafter to an ultimate rate of 3.94% in the year 2075 Administrative Expenses: 5% per annum



The discount rate was based on the S&P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on Mortality Table RP-2014 adjusted to base year 2006 using improvement scale MP 2014 and projected forward generationally using improvement scale MP 2019.

The actuarial assumptions used in the June 30, 2019, valuation were based on plan data and costs presented by the primary government with concurrence by the actuary.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2019	<u>\$ 33,774,211</u>
Changes for the Year:	
Service Cost	\$ 3,210,925
Interest	968,954
Benefit Payments/Refunds	<u>(2,255,597)</u>
Net Changes	<u>\$ 1,924,282</u>
Balance June 30, 2020	<u><u>\$ 35,698,493</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school system recognized OPEB expense of \$5,055,886. At June 30, 2020, the school system reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 5,929,675	\$ 70,235
Changes in Assumptions	<u>0</u>	<u>613,437</u>
Total	<u><u>\$ 5,929,675</u></u>	<u><u>\$ 683,672</u></u>

Amounts reported as deferred outflows and deferred outflows of resources, with the exception of benefits paid after the measurement date, related to OPEB will be recognized in OPEB expense as follows:

June 30	Amount
2021	\$ 876,007
2022	876,007
2023	876,007
2024	876,007
2025	876,007
Thereafter	865,968

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the school system calculated using the discount rate of 2.79 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.79%) or one percentage point higher (3.79%) than the current rate:

	1% Decrease 1.79%	Current Discount Rate 2.79%	1% Increase 3.79%
Total OPEB Liability	\$ 38,518,890	\$ 35,698,493	\$ 33,160,045

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the school system calculated using the healthcare cost trend rate of 7.5% decreasing to 6.75% over 3 years and following the Getzen model thereafter, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.5% decreasing to 5.75% over 3 years and following the Getzen model less 1% thereafter	Current Trend Rates 7.5% decreasing to 6.75% over 3 years and following the Getzen model thereafter	1% Increase 8.5% decreasing to 7.75% over 3 years and following the Getzen model plus 1% thereafter
Total OPEB Liability	\$ 32,737,584	\$ 35,698,493	\$ 39,198,509

**I. Office of Central Accounting, Budgeting, and Purchasing**

Montgomery County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering funds administered by the county mayor and highway supervisor. These funds are maintained in the Offices of Central Accounting and Budgeting and Central Purchasing under the supervision of the director of accounts and budgets and the purchasing agent.

**J. Purchasing Laws**

Office of Central Purchasing

Purchasing procedures for the Office of County Mayor and the highway department are governed by the County Purchasing Law of 1957, Section 5-14-101 et seq., *Tennessee Code Annotated (TCA)*. Purchases for the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. Section 5-14-101 et seq., *TCA*, provides for a purchasing agent, appointed by the county mayor and approved by the Montgomery County Commission, to make all purchases. This statute also provides for a County Purchasing Commission to assist the purchasing agent in the determination of overall purchasing policies. These statutes, along with *TCA Section 12-3-1212*, require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the school system are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute, along with *TCA Section 12-3-1212*, also provides for the school system, which has a purchasing division, to use a comprehensive vendor list to solicit competitive bids on all purchases exceeding \$25,000 provided the vendors on such list are given notice to bid. This statute also requires the purchasing division to periodically advertise in a county newspaper of general circulation for vendors and to update the list of vendors following such advertisement.

**K. Subsequent Events**

On August 15, 2020, Cheryl Castle, Circuit, General Sessions, and Juvenile Courts Clerk, retired and was succeeded by Wendy Davis.

Acting Highway Supervisor, Monty Fleet, retired on August 27, 2020, and was succeeded by Jeff Bryant, Jr on September 1, 2020.

On October 30, 2020, Montgomery County issued the following debt for construction of a multipurpose event center: \$86,200,000 in tax exempt general obligation bonds and \$25,105,000 in federally taxable general obligation bonds.

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## REQUIRED SUPPLEMENTARY INFORMATION

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Exhibit F-1

Montgomery County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Legacy Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019
<b>Total Pension Liability</b>						
Service Cost	\$ 5,364,200	\$ 5,781,524	\$ 5,973,457	\$ 6,572,627	\$ 6,662,671	\$ 6,140,553
Interest	14,385,325	15,453,553	16,294,055	17,141,116	18,018,915	19,437,675
Differences Between Actual and Expected Experience	1,129,234	(2,606,966)	(3,509,703)	(451,308)	1,770,004	(2,568,834)
Changes of benefit terms	0	0	0	0	3,319,525	0
Changes of Assumptions	0	0	0	5,472,654	0	0
Benefit Payments, Including Refunds of Employee Contributions	(6,689,595)	(7,416,482)	(7,810,221)	(8,315,453)	(9,357,724)	(10,002,068)
Net Change in Total Pension Liability	\$ 14,189,164	\$ 11,211,629	\$ 10,947,588	\$ 20,419,636	\$ 20,413,391	\$ 13,007,326
Total Pension Liability, Beginning	189,784,932	203,974,096	215,185,725	226,133,313	246,552,949	266,966,340
Total Pension Liability, Ending (a)	\$ 203,974,096	\$ 215,185,725	\$ 226,133,313	\$ 246,552,949	\$ 266,966,340	\$ 279,973,666
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 9,861,110	\$ 9,884,158	\$ 10,115,859	\$ 10,597,843	\$ 9,565,557	\$ 8,912,033
Contributions - Employee	1,936	9,073	20,647	28,082	8,119	13,774
Net Investment Income	29,005,282	6,354,345	5,701,037	25,280,451	20,703,256	20,066,883
Benefit Payments, Including Refunds of Employee Contributions	(6,689,595)	(7,416,482)	(7,810,221)	(8,315,453)	(9,357,724)	(10,002,068)
Administrative Expense	(92,900)	(121,228)	(188,418)	(206,927)	(210,657)	(173,674)
Other Changes	0	9,750	0	8,318	0	0
Net Change in Plan Fiduciary Net Position	\$ 32,085,833	\$ 8,719,616	\$ 7,838,904	\$ 27,392,314	\$ 20,708,551	\$ 18,816,948
Plan Fiduciary Net Position, Beginning	173,379,826	205,465,659	214,185,275	222,024,179	249,416,493	270,125,044
Plan Fiduciary Net Position, Ending (b)	\$ 205,465,659	\$ 214,185,275	\$ 222,024,179	\$ 249,416,493	\$ 270,125,044	\$ 288,941,992
Net Pension Liability (Asset), Ending (a - b)	\$ (1,491,563)	\$ 1,000,450	\$ 4,109,134	\$ (2,863,544)	\$ (3,158,704)	\$ (8,968,326)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.73%	99.54%	98.18%	101.16%	101.18%	103.20%
Covered Payroll	\$ 68,814,466	\$ 71,520,680	\$ 73,260,275	\$ 76,319,231	\$ 73,124,240	\$ 67,920,243
Net Pension Liability (Asset) as a Percentage of Covered Payroll	2.17%	1.40%	5.61%	(3.75)%	(4.32)%	(13.20)%

Note 1: Ten years of data will be presented when available.

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit F-2

Montgomery County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Retirement Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2017	2018	2019
<b>Total Pension Liability</b>			
Service Cost	\$ 0	\$ 153,138	\$ 652,395
Interest	0	15,644	91,799
Differences Between Actual and Expected Experience	0	391,040	452,945
Changes of benefit terms	63,548	0	0
Benefit Payments, Including Refunds of Employee Contributions	0	(1,807)	(15,540)
Net Change in Total Pension Liability	\$ 63,548	\$ 558,015	\$ 1,181,599
Total Pension Liability, Beginning	0	63,548	621,563
Total Pension Liability, Ending (a)	\$ 63,548	\$ 621,563	\$ 1,803,162
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 31,282	\$ 329,323	\$ 238,121
Contributions - Employee	39,103	407,528	839,045
Net Investment Income	3,578	34,466	96,570
Benefit Payments, including refunds of employee contributions	0	(1,807)	(15,540)
Administrative Expense	(7,229)	(38,067)	(64,117)
Net Change in Plan Fiduciary Net Position	\$ 66,734	\$ 731,443	\$ 1,094,079
Plan Fiduciary Net Position, Beginning	0	66,734	798,177
Plan Fiduciary Net Position, Ending (b)	\$ 66,734	\$ 798,177	\$ 1,892,256
Net Pension Liability (Asset), Ending (a - b)	\$ (3,186)	\$ (176,614)	\$ (89,094)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.01%	128.41%	104.94%
Covered Payroll	\$ 782,476	\$ 8,143,631	\$ 16,850,361
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(0.41)%	(2.17)%	(0.53)%

Note 1: Ten years of data will be presented when available.

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit F-3

Montgomery County, Tennessee  
Schedule of Contributions Based on Participation in the Public  
Employee Legacy Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 9,861,110	\$ 9,884,158	\$ 10,115,859	\$ 10,597,843	\$ 9,565,557	\$ 8,912,033	\$ 9,401,621
Less Contributions in Relation to the Actuarially Determined Contribution	(9,861,110)	(9,884,158)	(10,115,859)	(10,597,843)	(9,565,557)	(8,912,033)	(9,401,621)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 68,814,466	\$ 71,520,680	\$ 73,260,275	\$ 76,319,231	\$ 73,124,240	\$ 67,920,243	\$ 66,345,744
Contributions as a Percentage of Covered Payroll	14.33%	13.82%	13.81%	13.89%	13.08%	13.12%	13.91%

Note 1: Ten years of data will be presented when available.

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department, and POST-certified employees hired prior to January 1, 2017.

Note 3: In the audit reports prior to fiscal year 2019, information related to POST-certified employees was presented in a separate statement. As these employees are included in the same actuarial report as all other primary government employees and non-certified employees of the discretely-presented school system hired prior to January 1, 2017, they are presented together beginning in fiscal year 2019.



Exhibit F-4

Montgomery County, Tennessee  
Schedule of Contributions Based on Participation in the Public  
Employee Retirement Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 31,282	\$ 329,323	\$ 238,121	\$ 552,212
Less Contributions in Relation to the Actuarially Determined Contribution	(31,282)	(329,323)	(238,121)	(552,212)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 782,476	\$ 8,143,631	\$ 16,850,361	\$ 38,359,725
Contributions as a Percentage of Covered Payroll	4.00%	4.04%	1.41%	2.03%

Note 1: Ten years of data will be presented when available.

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department, and POST-certified employees hired prior to January 1, 2017.

Note 3: In the audit reports prior to fiscal year 2019, information related to POST-certified employees was presented in a separate statement. As these employees are included in the same actuarial report as all other primary government employees and non-certified employees of the discretely-presented school system hired after January 1, 2017, they are presented together beginning in fiscal year 2019.

Exhibit F-5

Montgomery County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Retirement Plan of TCRS  
Discretely Presented Clarksville - Montgomery County School System  
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 318,055	\$ 732,918	\$ 1,081,379	\$ 1,527,293	\$ 938,341	\$ 1,204,139
Less Contributions in Relation to the Contractually Required Contribution	(318,055)	(732,918)	(1,081,379)	(1,527,293)	(938,341)	(1,204,139)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,951,405	\$ 18,323,029	\$ 28,106,731	\$ 38,185,241	\$ 48,368,078	\$ 60,683,144
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	3.85%	4.00%	1.94%	2.03%

Note: Ten years of data will be presented when available.

Exhibit F-6

Montgomery County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Legacy Pension Plan of TCRS  
Discretely Presented Clarksville - Montgomery County School System  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 10,592,992	\$ 10,341,505	\$ 9,702,087	\$ 9,525,105	\$ 9,491,839	\$ 10,665,018	\$ 10,529,036
Less Contributions in Relation to the Contractually Required Contribution	(10,592,992)	(10,341,505)	(9,702,087)	(9,525,105)	(9,491,839)	(10,665,018)	(10,529,036)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 119,290,487	\$ 114,397,283	\$ 107,324,025	\$ 105,366,326	\$ 104,535,539	\$ 101,942,706	\$ 99,510,523
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

Note: Ten years of data will be presented when available.

Exhibit F-7

Montgomery County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Clarksville - Montgomery County School System  
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019
School System's Proportion of the Net Pension Liability (Asset)	3.826940%	4.164263%	4.118983%	4.369288%	4.570773%
School System's Proportionate Share of the Net Pension Liability (Asset)	\$ (153,956)	\$ (433,513)	\$ (1,086,727)	\$ (1,981,594)	\$ (2,580,139)
Covered Payroll	\$ 7,951,405	\$ 18,323,029	\$ 28,106,731	\$ 38,185,241	\$ 48,368,078
School System's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.87)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

Note: Ten years of data will be presented when available.

Exhibit F-8

Montgomery County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Clarksville-Montgomery County School System  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019
School System's Proportion of the Net Pension Liability (Asset)	3.039254%	3.055886%	2.973129%	2.980699%	2.985305%	3.040729%
School System's Proportionate Share of the Net Pension Liability (Asset)	\$ (493,865)	\$ 1,251,796	\$ 18,580,408	\$ (975,235)	\$ (10,505,037)	\$ (31,264,172)
Covered Payroll	\$ 119,290,452	\$ 114,397,283	\$ 107,324,028	\$ 105,366,326	\$ 104,535,539	\$ 101,942,706
School System's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.414002)%	1.094253%	17.31%	(0.93)%	(10.05)%	(30.67)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

Note: Ten years of data will be presented when available.

Exhibit F-9

Montgomery County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Commercial Plan  
Primary Government  
For the Fiscal Year Ended June 30

	2018	2019	2020
<b>Total OPEB Liability</b>			
Service Cost	\$ 1,083,925	\$ 1,138,121	\$ 1,698,770
Interest	439,773	479,592	470,177
Differences Between Actual and Expected Experience	0	0	3,239,983
Changes of Assumptions	0	0	221,469
Benefit Payments /Refunds	(230,176)	(241,685)	(596,217)
Net Change in Total OPEB Liability	\$ 1,293,522	\$ 1,376,028	\$ 5,034,182
Total OPEB Liability, Beginning	13,903,728	15,197,250	16,573,278
Total OPEB Liability, Ending (a)	<u>\$ 15,197,250</u>	<u>\$ 16,573,278</u>	<u>\$ 21,607,460</u>
Covered Employee Payroll	\$ 28,888,228	\$ 29,754,875	\$ 44,657,533
Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	52.61%	55.70%	48.38%

Note 1: Ten years of data will be presented when available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit F-10

Montgomery County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Commercial Plan  
Discretely Presented Clarksville - Montgomery County School System  
For the Fiscal Year Ended June 30

	2018	2019	2020
<b>Total OPEB Liability</b>			
Service Cost	\$ 2,676,305	\$ 3,058,024	\$ 3,210,925
Interest	771,287	724,328	968,954
Differences Between Actual and Expected Experience	(100,334)	7,906,233	0
Changes of Assumptions	0	(817,915)	0
Benefit Payments /Refunds	(1,464,856)	(2,098,230)	(2,255,597)
Net Change in Total OPEB Liability	\$ 1,882,402	\$ 8,772,440	\$ 1,924,282
Total OPEB Liability, Beginning	23,119,369	25,001,771	33,774,211
Total OPEB Liability, Ending (a)	<u>\$ 25,001,771</u>	<u>\$ 33,774,211</u>	<u>\$ 35,698,493</u>
Covered Employee Payroll	\$ 158,826,770	\$ 135,946,083	\$ 140,024,465
Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	15.70%	24.80%	25.50%

Note 1: Ten years of data will be presented when available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**MONTGOMERY COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2020**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2020 were calculated based on the June 30, 2018, actuarial valuation.

Methods and assumptions used to determine contribution rates:

**Public Employee Retirement Plan and Public Employee Legacy Pension Plan:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (not to exceed 20 years)
Remaining Amortization Period	Varies by year
Asset Valuation	10-year smoothed within a 20% corridor to market value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for some Anticipated Improvement
Cost of Living Adjustment	2.25%



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**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

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# Nonmajor Governmental Funds

## Special Revenue Funds

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Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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Drug Control Fund – The Drug Control Fund is used to account for revenues received from drug-related fines, forfeitures, and seizures.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register of deeds, and sheriff.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for the transactions of the county's highway department.

## Capital Projects Fund

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Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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Education Capital Projects Fund – The Education Capital Projects Fund accounts for debt issued by Montgomery County that is subsequently contributed to the discretely presented Clarksville-Montgomery County School System for general capital expenditures of the school system.

Exhibit G-1

Montgomery County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020

ASSETS

Cash  
Equity in Pooled Cash and Investments  
Accounts Receivable  
Due from Other Governments  
Property Taxes Receivable  
Allowance for Uncollectible Property Taxes  
Restricted Assets

Total Assets

LIABILITIES

Accounts Payable  
Payroll Deductions Payable  
Due to Litigants, Heirs, and Others  
Other Current Liabilities  
Current Liabilities Payable From Restricted Assets  
Total Liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes  
Deferred Delinquent Property Taxes  
Other Deferred/Unavailable Revenue  
Total Deferred Inflows of Resources

Special Revenue Funds				
Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	Total Nonmajor Governmental Funds	
\$ 0	\$ 51,155	\$ 50	\$ 51,205	
65,488	0	8,385,283	8,450,771	
853	260,821	2,883	264,557	
0	0	786,225	786,225	
0	0	5,351,376	5,351,376	
0	0	(74,596)	(74,596)	
0	0	26,101	26,101	
<hr/>				
\$ 66,341	\$ 311,976	\$ 14,477,322	\$ 14,855,639	
<hr/>				
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\$ 473	\$ 0	\$ 541,469	\$ 541,942	
0	0	19,135	19,135	
0	311,976	0	311,976	
25,487	0	0	25,487	
0	0	225,600	225,600	
<hr/>				
\$ 25,960	\$ 311,976	\$ 786,204	\$ 1,124,140	
<hr/>				
<hr/>				
\$ 0	\$ 0	\$ 5,143,524	\$ 5,143,524	
0	0	100,402	100,402	
0	0	363,788	363,788	
<hr/>				
\$ 0	\$ 0	\$ 5,607,714	\$ 5,607,714	
<hr/>				

(Continued)

Exhibit G-1

Montgomery County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for Public Safety

Restricted for Highways/Public Works

Restricted for Hybrid Retirement Stabilization Funds

Assigned:

Assigned for Highways/Public Works

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Special Revenue Funds			
Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	Total Nonmajor Governmental Funds
\$ 40,381	\$ 0	\$ 0	\$ 40,381
0	0	7,366,973	7,366,973
0	0	26,101	26,101
0	0	690,330	690,330
<u>\$ 40,381</u>	<u>\$ 0</u>	<u>\$ 8,083,404</u>	<u>\$ 8,123,785</u>
<u>\$ 66,341</u>	<u>\$ 311,976</u>	<u>\$ 14,477,322</u>	<u>\$ 14,855,639</u>

Exhibit G-2

Montgomery County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2020

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	Total	Education Capital Projects	
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 5,590,433	\$ 5,590,433	\$ 0	\$ 5,590,433
Fines, Forfeitures, and Penalties	13,404	0	0	13,404	0	13,404
Charges for Current Services	0	15,795	0	15,795	0	15,795
Other Local Revenues	0	0	14,051	14,051	0	14,051
State of Tennessee	0	0	4,502,185	4,502,185	0	4,502,185
Federal Government	0	0	1,650	1,650	0	1,650
Total Revenues	\$ 13,404	\$ 15,795	\$ 10,108,319	\$ 10,137,518	\$ 0	\$ 10,137,518
<u>Expenditures</u>						
Current:						
Administration of Justice	\$ 0	\$ 15,795	\$ 0	\$ 15,795	\$ 0	\$ 15,795
Public Safety	23,184	0	0	23,184	0	23,184
Highways	0	0	8,577,064	8,577,064	0	8,577,064
Capital Projects	0	0	0	0	14,747,569	14,747,569
Total Expenditures	\$ 23,184	\$ 15,795	\$ 8,577,064	\$ 8,616,043	\$ 14,747,569	\$ 23,363,612
Excess (Deficiency) of Revenues Over Expenditures	\$ (9,780)	\$ 0	\$ 1,531,255	\$ 1,521,475	\$ (14,747,569)	\$ (13,226,094)
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,747,569	\$ 14,747,569
Insurance Recovery	0	0	3,171	3,171	0	3,171
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 3,171	\$ 3,171	\$ 14,747,569	\$ 14,750,740

(Continued)

Exhibit G-2

Montgomery County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	Total	Education Capital Projects	Total Nonmajor Governmental Funds
Net Change in Fund Balances	\$ (9,780)	\$ 0	\$ 1,534,426	\$ 1,524,646	\$ 0	\$ 1,524,646
Fund Balance, July 1, 2019	50,161	0	6,548,978	6,599,139	0	6,599,139
Fund Balance, June 30, 2020	\$ 40,381	\$ 0	\$ 8,083,404	\$ 8,123,785	\$ 0	\$ 8,123,785

Exhibit G-3

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 13,404	\$ 10,000	\$ 10,000	\$ 3,404
Total Revenues	<u>\$ 13,404</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 3,404</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 23,184	\$ 31,970	\$ 36,429	\$ 13,245
Total Expenditures	<u>\$ 23,184</u>	<u>\$ 31,970</u>	<u>\$ 36,429</u>	<u>\$ 13,245</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (9,780)</u>	<u>\$ (21,970)</u>	<u>\$ (26,429)</u>	<u>\$ 16,649</u>
Net Change in Fund Balance	\$ (9,780)	\$ (21,970)	\$ (26,429)	\$ 16,649
Fund Balance, July 1, 2019	<u>50,161</u>	<u>45,879</u>	<u>50,161</u>	<u>0</u>
Fund Balance, June 30, 2020	<u><u>\$ 40,381</u></u>	<u><u>\$ 23,909</u></u>	<u><u>\$ 23,732</u></u>	<u><u>\$ 16,649</u></u>

Exhibit G-4

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 5,590,433	\$ 0	\$ 0	\$ 5,590,433	\$ 5,764,325	\$ 5,764,325	\$ (173,892)
Other Local Revenues	14,051	0	0	14,051	43,000	41,350	(27,299)
State of Tennessee	4,502,185	0	0	4,502,185	4,624,345	4,624,345	(122,160)
Federal Government	1,650	0	0	1,650	0	1,650	0
Other Governments and Citizens Groups	0	0	0	0	20,000	20,000	(20,000)
Total Revenues	\$ 10,108,319	\$ 0	\$ 0	\$ 10,108,319	\$ 10,451,670	\$ 10,451,670	\$ (343,351)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 504,230	\$ 0	\$ 125	\$ 504,355	\$ 783,816	\$ 589,220	\$ 84,865
Highway and Bridge Maintenance	4,970,877	0	10,734	4,981,611	5,765,241	5,928,399	946,788
Operation and Maintenance of Equipment	1,097,532	(15,875)	9,198	1,090,855	1,316,918	1,357,510	266,655
Traffic Control	410,863	0	2,000	412,863	506,985	515,978	103,115
Other Charges	404,183	0	0	404,183	579,622	614,622	210,439
Employee Benefits	51,035	0	0	51,035	57,980	57,980	6,945
Capital Outlay	1,138,344	(1,018,972)	668,273	787,645	4,050,108	2,514,080	1,726,435
Total Expenditures	\$ 8,577,064	\$ (1,034,847)	\$ 690,330	\$ 8,232,547	\$ 13,060,670	\$ 11,577,789	\$ 3,345,242
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,531,255	\$ 1,034,847	\$ (690,330)	\$ 1,875,772	\$ (2,609,000)	\$ (1,126,119)	\$ 3,001,891
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 3,171	\$ 0	\$ 0	\$ 3,171	\$ 12,000	\$ 12,000	\$ (8,829)
Total Other Financing Sources	\$ 3,171	\$ 0	\$ 0	\$ 3,171	\$ 12,000	\$ 12,000	\$ (8,829)
Net Change in Fund Balance	\$ 1,534,426	\$ 1,034,847	\$ (690,330)	\$ 1,878,943	\$ (2,597,000)	\$ (1,114,119)	\$ 2,993,062
Fund Balance, July 1, 2019	6,548,978	(1,034,847)	0	5,514,131	4,168,050	6,548,978	(1,034,847)
Fund Balance, June 30, 2020	\$ 8,083,404	\$ 0	\$ (690,330)	\$ 7,393,074	\$ 1,571,050	\$ 5,434,859	\$ 1,958,215



# **Major Governmental Funds**

## **General Debt Service Fund**

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The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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## **General Capital Projects Fund**

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The General Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

## Exhibit H-1

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 43,264,081	\$ 43,524,000	\$ 43,524,000	\$ (259,919)
Other Local Revenues	1,408,979	1,548,892	1,017,436	391,543
Federal Government	45,500	90,000	90,000	(44,500)
Other Governments and Citizens Groups	7,198,319	0	7,198,319	0
Total Revenues	\$ 51,916,879	\$ 45,162,892	\$ 51,829,755	\$ 87,124
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 12,677,650	\$ 12,677,650	\$ 12,677,650	\$ 0
Education	24,931,059	18,689,919	24,931,059	0
<u>Interest on Debt</u>				
General Government	4,695,685	4,656,170	4,837,687	142,002
Education	6,736,632	6,539,508	6,736,632	0
<u>Other Debt Service</u>				
General Government	331,086	353,500	353,500	22,414
Education	516,003	678,000	678,000	161,997
Total Expenditures	\$ 49,888,115	\$ 43,594,747	\$ 50,214,528	\$ 326,413
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,028,764	\$ 1,568,145	\$ 1,615,227	\$ 413,537
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 9,700,000	\$ 0	\$ 9,700,000	\$ 0
Payments to Refunded Debt Escrow Agent	(9,700,000)	0	(9,700,000)	0
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 2,028,764	\$ 1,568,145	\$ 1,615,227	\$ 413,537
Fund Balance, July 1, 2019	32,881,139	29,852,960	32,881,139	0
Fund Balance, June 30, 2020	\$ 34,909,903	\$ 31,421,105	\$ 34,496,366	\$ 413,537

Exhibit H-2

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 19,399,598	\$ 0	\$ 0	\$ 19,399,598	\$ 19,076,560	\$ 19,076,560	\$ 323,038
Other Local Revenues	71,942	0	0	71,942	60,000	60,000	11,942
State of Tennessee	375,000	0	0	375,000	0	500,000	(125,000)
Federal Government	64,712	0	0	64,712	0	3,009,543	(2,944,831)
Other Governments and Citizens Groups	941,440	0	0	941,440	0	926,000	15,440
Total Revenues	\$ 20,852,692	\$ 0	\$ 0	\$ 20,852,692	\$ 19,136,560	\$ 23,572,103	\$ (2,719,411)
<u>Expenditures</u>							
<u>Other Debt Service</u>							
General Government	\$ 68,447	\$ 0	\$ 0	\$ 68,447	\$ 0	\$ 44,447	\$ (24,000)
Education	202,479	0	0	202,479	0	202,479	0
<u>Capital Projects</u>							
General Administration Projects	11,349,995	(96,562)	614,405	11,867,838	108,461,968	110,111,498	98,243,660
Administration of Justice Projects	0	0	0	0	0	83,823	83,823
Public Safety Projects	3,929,671	(107,137)	2,771,345	6,593,879	6,980,000	8,147,409	1,553,530
Public Health and Welfare Projects	1,065,330	(51,489)	727,626	1,741,467	3,009,850	3,894,841	2,153,374
Social, Cultural, and Recreation Projects	9,571,548	(4,435,142)	966,570	6,102,976	2,710,000	11,171,825	5,068,849
Other General Government Projects	707,853	0	0	707,853	209,074	743,527	35,674
Highway and Street Capital Projects	48,515	(66,922)	46,600	28,193	0	3,462,027	3,433,834
Education Capital Projects	3,468,000	0	0	3,468,000	2,305,000	16,831,929	13,363,929
Total Expenditures	\$ 30,411,838	\$ (4,757,252)	\$ 5,126,546	\$ 30,781,132	\$ 123,675,892	\$ 154,693,805	\$ 123,912,673
Excess (Deficiency) of Revenues Over Expenditures	\$ (9,559,146)	\$ 4,757,252	\$ (5,126,546)	\$ (9,928,440)	\$ (104,539,332)	\$ (131,121,702)	\$ 121,193,262
<u>Other Financing Sources (Uses)</u>							
Bonds Issued	\$ 13,800,000	\$ 0	\$ 0	\$ 13,800,000	\$ 105,000,000	\$ 118,800,000	\$ (105,000,000)
Notes Issued	11,800,000	0	0	11,800,000	4,300,000	4,100,000	7,700,000
Premiums on Debt Sold	3,666,926	0	0	3,666,926	0	3,666,926	0
Transfers In	0	0	0	0	0	330,000	(330,000)

(Continued)

Exhibit H-2

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Capital Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>							
Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (150,000)	\$ 150,000
Total Other Financing Sources	\$ 29,266,926	\$ 0	\$ 0	\$ 29,266,926	\$ 109,300,000	\$ 126,746,926	\$ (97,480,000)
Net Change in Fund Balance	\$ 19,707,780	\$ 4,757,252	\$ (5,126,546)	\$ 19,338,486	\$ 4,760,668	\$ (4,374,776)	\$ 23,713,262
Fund Balance, July 1, 2019	18,342,994	(4,757,252)	0	13,585,742	3,907,071	18,342,994	(4,757,252)
Fund Balance, June 30, 2020	\$ 38,050,774	\$ 0	\$ (5,126,546)	\$ 32,924,228	\$ 8,667,739	\$ 13,968,218	\$ 18,956,010

# Proprietary Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or other governments, on a cost-reimbursed basis.

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Self-Insurance Fund – The Self-Insurance Fund is used to account for transactions of the county's self-insured group medical plan.

Workers' Compensation Fund – The Workers' Compensation Fund is used to account for the county's self-insured workers' compensation and on-the-job injury programs.

Unemployment Compensation Fund – The Unemployment Compensation Fund is used to account for transactions of the county's self-insured unemployment compensation plan.

## Exhibit I-1

Montgomery County, Tennessee  
Combining Statement of Net Position  
Proprietary Funds  
June 30, 2020

	Internal Service Funds			
	Self- Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>ASSETS</u>				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 24,202,001	\$ 802,546	\$ 38,275	\$ 25,042,822
Cash with Paying Agents	0	50,000	0	50,000
Accounts Receivable	55,870	0	16,835	72,705
Due from Other Governments	20	0	0	20
Due from Other Funds	0	654,440	0	654,440
Due from Component Units	56,213	0	0	56,213
Prepaid Items	448,620	0	0	448,620
Total Current Assets	\$ 24,762,724	\$ 1,506,986	\$ 55,110	\$ 26,324,820
Noncurrent Assets:				
Capital Assets:				
Buildings and Improvements	\$ 24,803	\$ 0	\$ 0	\$ 24,803
Accumulated Depreciation - Buildings and Improvements	(13,488)	0	0	(13,488)
Total Noncurrent Assets	\$ 11,315	\$ 0	\$ 0	\$ 11,315
Total Assets	\$ 24,774,039	\$ 1,506,986	\$ 55,110	\$ 26,336,135
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts Payable	\$ 30,448	\$ 31,996	\$ 16,835	\$ 79,279
Payroll Deductions Payable	0	1,561	0	1,561
Claims and Judgments Payable	2,463,789	214,500	0	2,678,289
Total Current Liabilities	\$ 2,494,237	\$ 248,057	\$ 16,835	\$ 2,759,129
Noncurrent Liabilities:				
Claims and Judgments Payable	\$ 2,463,789	\$ 214,500	\$ 0	\$ 2,678,289
Total Noncurrent Liabilities	\$ 2,463,789	\$ 214,500	\$ 0	\$ 2,678,289
Total Liabilities	\$ 4,958,026	\$ 462,557	\$ 16,835	\$ 5,437,418
<u>NET POSITION</u>				
Unrestricted	\$ 19,816,013	\$ 1,044,429	\$ 38,275	\$ 20,898,717
Total Net Position	\$ 19,816,013	\$ 1,044,429	\$ 38,275	\$ 20,898,717

Exhibit I-2

Montgomery County, Tennessee  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2020

	Internal Service Funds			
	Self- Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>Operating Revenues</u>				
Charges for Current Services	\$ 65,299,578	\$ 654,440	\$ 179,302	\$ 66,133,320
Total Operating Revenues	\$ 65,299,578	\$ 654,440	\$ 179,302	\$ 66,133,320
<u>Operating Expenses</u>				
Other Facilities	\$ 0	\$ 0	\$ 149	\$ 149
Risk Management	0	715,707	0	715,707
Data Processing	0	55	0	55
Circuit Court	0	0	951	951
Probation Services	0	0	58	58
Sheriff's Department	0	5,619	259	5,878
Special Patrols	0	0	2,475	2,475
Jail	0	12,020	11,569	23,589
Rabies and Animal Control	0	181	1,489	1,670
Ambulance/Emergency Medical Services	0	7,829	0	7,829
Other Local Health Services	0	0	2,310	2,310
Convenience Centers	0	0	4,679	4,679
Landfill Operation and Maintenance	0	171	0	171
Libraries	0	0	22	22
Parks and Fair Boards	0	0	690	690
Depreciation	991	0	0	991
Other Charges	2,005,865	0	0	2,005,865
Employee Benefits	66,270,168	0	345	66,270,513
Highway and Bridge Maintenance	0	19	3,300	3,319
Other	0	0	151,006	151,006
Total Operating Expenses	\$ 68,277,024	\$ 741,601	\$ 179,302	\$ 69,197,927
Operating Income (Loss)	\$ (2,977,446)	\$ (87,161)	\$ 0	\$ (3,064,607)
<u>Nonoperating Revenues (Expenses)</u>				
Investment Income	\$ 101,212	\$ 0	\$ 0	\$ 101,212
Miscellaneous Refunds	3,865,056	630	0	3,865,686
Insurance Recovery	0	7,539	0	7,539
Total Nonoperating Revenues (Expenses)	\$ 3,966,268	\$ 8,169	\$ 0	\$ 3,974,437
Changes in Net Position	\$ 988,822	\$ (78,992)	\$ 0	\$ 909,830
Net Position, July 1, 2019	18,827,191	1,123,421	38,275	19,988,887
Net Position, June 30, 2020	\$ 19,816,013	\$ 1,044,429	\$ 38,275	\$ 20,898,717

Exhibit I-3

Montgomery County, Tennessee  
Combining Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2020

	Internal Service Funds			
	Self- Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>Cash Flows from Operating Activities</u>				
Receipts from Interfund Services Provided	\$ 64,799,216	\$ 0	\$ 162,467	\$ 64,961,683
Other Self-Insured Claims	(68,185,784)	(598,005)	(162,467)	(68,946,256)
Other Receipts (Payments)	3,865,056	8,169	0	3,873,225
Net Cash Provided By (Used In) Operating Activities	\$ 478,488	\$ (589,836)	\$ 0	\$ (111,348)
<u>Cash Flows from Investing Activities</u>				
Investment Income	\$ 101,212	\$ 0	\$ 0	\$ 101,212
Net Cash Provided By (Used In) Investing Activities	\$ 101,212	\$ 0	\$ 0	\$ 101,212
Net Increase (Decrease) in Cash	\$ 579,700	\$ (589,836)	\$ 0	\$ (10,136)
Cash, July 1, 2019	23,622,301	1,442,382	38,275	25,102,958
Cash, June 30, 2020	\$ 24,202,001	\$ 852,546	\$ 38,275	\$ 25,092,822
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ (2,977,446)	\$ (87,161)	\$ 0	\$ (3,064,607)
Miscellaneous Refunds	3,865,056	630	0	3,865,686
Insurance Recovery	0	7,539	0	7,539
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:				
Depreciation Expense	991	0	0	991
(Increase) Decrease in Accounts Receivable	(101)	0	(16,835)	(16,936)
(Increase) Decrease in Due from Other Funds	0	(654,440)	0	(654,440)
(Increase) Decrease in Due from Component Units	(51,641)	0	0	(51,641)
(Increase) Decrease in Prepaid Items	(448,620)	0	0	(448,620)
Increase (Decrease) in Accounts Payable	(7,419)	(8,049)	16,835	1,367
Increase (Decrease) in Payroll Deductions Payable	0	(155)	0	(155)
Increase (Decrease) in Due to Component Units	(200)	0	0	(200)
Increase (Decrease) in Claims and Judgments Payable	97,868	151,800	0	249,668
Net Cash Provided By (Used In) Operating Activities	\$ 478,488	\$ (589,836)	\$ 0	\$ (111,348)



# Fiduciary Funds

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Agency Funds are used to account for assets held by the county as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the State of Tennessee and forwarded to the various cities on a monthly basis.

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held in trust for the benefit of the Office of District Attorney General.

Port Authority Fund – The Port Authority Fund is used to account for restricted revenue held in trust for the benefit of the port authority.

Exhibit J-1

Montgomery County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	Agency Funds					
	Cities - Sales Tax	Constitu- tional Officers - Agency	Judicial District Drug	District Attorney General Fund	Port Authority Fund	Total
<u>ASSETS</u>						
Cash	\$ 0	\$ 8,231,452	\$ 14,379	\$ 0	\$ 0	\$ 8,245,831
Equity in Pooled Cash and Investments	0	0	432,716	100,203	50,000	582,919
Accounts Receivable	0	0	38	748	0	786
Due from Other Governments	3,695,563	0	0	553	0	3,696,116
Total Assets	<u>\$ 3,695,563</u>	<u>\$ 8,231,452</u>	<u>\$ 447,133</u>	<u>\$ 101,504</u>	<u>\$ 50,000</u>	<u>\$ 12,525,652</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 11,721	\$ 0	\$ 0	\$ 11,721
Due to Other Taxing Units	3,695,563	0	0	0	0	3,695,563
Due to Litigants, Heirs, and Others	0	8,231,452	0	101,504	50,000	8,382,956
Due to Joint Ventures	0	0	315,090	0	0	315,090
Other Current Liabilities	0	0	120,322	0	0	120,322
Total Liabilities	<u>\$ 3,695,563</u>	<u>\$ 8,231,452</u>	<u>\$ 447,133</u>	<u>\$ 101,504</u>	<u>\$ 50,000</u>	<u>\$ 12,525,652</u>

## Exhibit J-2

Montgomery County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 19,934,785	\$ 19,934,785	\$ 0
Due from Other Governments	3,191,618	3,695,563	3,191,618	3,695,563
Total Assets	\$ 3,191,618	\$ 23,630,348	\$ 23,126,403	\$ 3,695,563
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,191,618	\$ 23,630,348	\$ 23,126,403	\$ 3,695,563
Total Liabilities	\$ 3,191,618	\$ 23,630,348	\$ 23,126,403	\$ 3,695,563
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 10,109,219	\$ 53,848,231	\$ 55,725,998	\$ 8,231,452
Total Assets	\$ 10,109,219	\$ 53,848,231	\$ 55,725,998	\$ 8,231,452
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 10,109,219	\$ 53,848,231	\$ 55,725,998	\$ 8,231,452
Total Liabilities	\$ 10,109,219	\$ 53,848,231	\$ 55,725,998	\$ 8,231,452
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 8,818	\$ 14,379	\$ 8,818	\$ 14,379
Equity in Pooled Cash and Investments	397,257	114,022	78,563	432,716
Accounts Receivable	0	38	0	38
Due from Other Governments	4,781	0	4,781	0
Total Assets	\$ 410,856	\$ 128,439	\$ 92,162	\$ 447,133
<u>Liabilities</u>				
Accounts Payable	\$ 4,787	\$ 11,721	\$ 4,787	\$ 11,721
Due to Joint Ventures	349,008	0	33,918	315,090
Other Current Liabilities	57,061	116,718	53,457	120,322
Total Liabilities	\$ 410,856	\$ 128,439	\$ 92,162	\$ 447,133

(Continued)

## Exhibit J-2

Montgomery County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 89,540	\$ 39,567	\$ 28,904	\$ 100,203
Accounts Receivable	526	748	526	748
Due from Other Governments	3,000	553	3,000	553
Total Assets	\$ 93,066	\$ 40,868	\$ 32,430	\$ 101,504
<u>Liabilities</u>				
Accounts Payable	\$ 2,163	\$ 0	\$ 2,163	\$ 0
Due to Litigants, Heirs, and Others	90,903	40,868	30,267	101,504
Total Liabilities	\$ 93,066	\$ 40,868	\$ 32,430	\$ 101,504
<u>Port Authority Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 50,000	\$ 0	\$ 0	\$ 50,000
Total Assets	\$ 50,000	\$ 0	\$ 0	\$ 50,000
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 50,000	\$ 0	\$ 0	\$ 50,000
Total Liabilities	\$ 50,000	\$ 0	\$ 0	\$ 50,000
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 10,118,037	\$ 53,862,610	\$ 55,734,816	\$ 8,245,831
Equity in Pooled Cash and Investments	536,797	20,088,374	20,042,252	582,919
Accounts Receivable	526	786	526	786
Due from Other Governments	3,199,399	3,696,116	3,199,399	3,696,116
Total Assets	\$ 13,854,759	\$ 77,647,886	\$ 78,976,993	\$ 12,525,652
<u>Liabilities</u>				
Accounts Payable	\$ 6,950	\$ 11,721	\$ 6,950	\$ 11,721
Due to Other Taxing Units	3,191,618	23,630,348	23,126,403	3,695,563
Due to Litigants, Heirs, and Others	10,250,122	53,889,099	55,756,265	8,382,956
Due to Joint Ventures	349,008	0	33,918	315,090
Other Current Liabilities	57,061	116,718	53,457	120,322
Total Liabilities	\$ 13,854,759	\$ 77,647,886	\$ 78,976,993	\$ 12,525,652

# Clarksville-Montgomery County School System

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This section presents combining and individual fund financial statements for the Clarksville-Montgomery County School System, a discretely presented component unit. The school system uses a General Fund, four Special Revenue Funds, and one Capital Projects Fund.

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General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the school system.

School Federal Projects Funds – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

School Transportation Fund – The School Transportation Fund accounts for a local tax levy used to fund school transportation.

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school programs in the individual schools.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the school system.

Exhibit K-1

Montgomery County, Tennessee  
Statement of Activities  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 192,945,350	\$ 503,030	\$ 28,440,038	\$ 0	\$ (164,002,282)
Support Services	144,428,231	728,678	1,973,655	0	(141,725,898)
Operation of Non-instructional Services	20,211,606	3,883,827	12,595,949	0	(3,731,830)
Total Governmental Activities	\$ 357,585,187	\$ 5,115,535	\$ 43,009,642	\$ 0	\$ (309,460,010)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 31,448,515
Local Option Sales Tax					62,313,619
Wheel Tax					4,939,471
Business Tax					924,207
Mixed Drink Tax					419,059
Grants and Contributions Not Restricted to Specific Programs					208,953,301
Unrestricted Investment Earnings					102,547
Miscellaneous					494,217
Total General Revenues					\$ 309,594,936
Change in Net Position					\$ 134,926
Net Position, July 1, 2019					354,790,488
Net Position, June 30, 2020					\$ 354,925,414

Exhibit K-2

Montgomery County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System  
June 30, 2020

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash	\$ 151,231	\$ 0	\$ 262,453	\$ 413,684
Equity in Pooled Cash and Investments	51,132,410	1,495,214	11,135,392	63,763,016
Inventories	177,910	0	331,925	509,835
Accounts Receivable	382,897	0	45,938	428,835
Due from Other Governments	12,074,072	0	2,410,565	14,484,637
Due from Other Funds	1,010,788	0	145,911	1,156,699
Property Taxes Receivable	28,978,605	0	2,051,988	31,030,593
Allowance for Uncollectible Property Taxes	(415,151)	0	(32,787)	(447,938)
Restricted Assets	2,517,128	0	153,417	2,670,545
Total Assets	<u>\$ 96,009,890</u>	<u>\$ 1,495,214</u>	<u>\$ 16,504,802</u>	<u>\$ 114,009,906</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 1,740,914	\$ 228,209	\$ 148,022	\$ 2,117,145
Accrued Payroll	16,743,365	0	598,546	17,341,911
Payroll Deductions Payable	9,511,586	0	317,954	9,829,540
Due to Other Funds	145,911	0	1,010,788	1,156,699
Due to Primary Government	52,493	0	368,508	421,001
Current Liabilities Payable From Restricted Assets	0	0	355,660	355,660
Total Liabilities	<u>\$ 28,194,269</u>	<u>\$ 228,209</u>	<u>\$ 2,799,478</u>	<u>\$ 31,221,956</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 27,800,259	\$ 0	\$ 1,952,573	\$ 29,752,832
Deferred Delinquent Property Taxes	654,130	0	57,110	711,240

(Continued)

## Exhibit K-2

Montgomery County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>				
Other Deferred/Unavailable Revenue	\$ 5,816,353	\$ 0	\$ 0	\$ 5,816,353
Total Deferred Inflows of Resources	\$ 34,270,742	\$ 0	\$ 2,009,683	\$ 36,280,425
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 177,910	\$ 0	\$ 331,925	\$ 509,835
Restricted:				
Restricted for Education	0	0	6,611,129	6,611,129
Restricted for Capital Projects	0	1,267,005	0	1,267,005
Restricted for Hybrid Retirement Stabilization Funds	2,517,128	0	153,417	2,670,545
Committed:				
Committed for Education	9,548,106	0	4,599,170	14,147,276
Assigned:				
Assigned for Education	3,093,114	0	0	3,093,114
Unassigned	18,208,621	0	0	18,208,621
Total Fund Balances	\$ 33,544,879	\$ 1,267,005	\$ 11,695,641	\$ 46,507,525
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 96,009,890	\$ 1,495,214	\$ 16,504,802	\$ 114,009,906



Exhibit K-3

Montgomery County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Clarksville-Montgomery County School System  
June 30, 2020

Amounts reported for governmental activities in the statement  
of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit K-2)		\$	46,507,525
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	14,167,519	
Add: construction in progress		2,874,036	
Add: buildings and improvements net of accumulated depreciation		268,937,648	
Add: other capital assets net of accumulated depreciation		<u>19,840,421</u>	305,819,624
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: contributions due on primary government debt for capital leases	\$	(799,834)	
Less: claims and judgments payable		(183,300)	
Less: other postemployment benefits liability		(35,698,493)	
Less: compensated absences payable		<u>(3,341,566)</u>	(40,023,193)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	25,257,572	
Less: deferred inflows of resources related to pensions		(32,808,308)	
Add: deferred outflows of resources related to OPEB		5,929,675	
Less: deferred inflows of resources related to OPEB		<u>(683,672)</u>	(2,304,733)
(4) Net pension assets of the teacher retirement and legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - public employee retirement plan	\$	45,910	
Add: net pension asset - public employee legacy pension plan		4,508,377	
Add: net pension asset - teacher retirement plan		2,580,139	
Add: net pension asset - teacher legacy pension plan		<u>31,264,172</u>	38,398,598
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>6,527,593</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>354,925,414</u></u>

## Exhibit K-4

Montgomery County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>				
Local Taxes	\$ 97,512,237	\$ 0	\$ 2,584,069	\$ 100,096,306
Charges for Current Services	627,304	0	3,914,875	4,542,179
Other Local Revenues	1,235,488	0	114,194	1,349,682
State of Tennessee	185,795,966	0	13,860,213	199,656,179
Federal Government	3,467,176	0	29,584,902	33,052,078
Other Governments and Citizens Groups	14,830,873	3,468,000	0	18,298,873
Total Revenues	<u>\$ 303,469,044</u>	<u>\$ 3,468,000</u>	<u>\$ 50,058,253</u>	<u>\$ 356,995,297</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 182,925,737	\$ 0	\$ 7,448,191	\$ 190,373,928
Support Services	111,018,650	0	25,185,137	136,203,787
Operation of Non-Instructional Services	2,305,936	0	17,469,840	19,775,776
Debt Service:				
Other Debt Service	6,926,678	0	0	6,926,678
Capital Projects	0	4,531,713	0	4,531,713
Total Expenditures	<u>\$ 303,177,001</u>	<u>\$ 4,531,713</u>	<u>\$ 50,103,168</u>	<u>\$ 357,811,882</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 292,043</u>	<u>\$ (1,063,713)</u>	<u>\$ (44,915)</u>	<u>\$ (816,585)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 298,093	\$ 0	\$ 0	\$ 298,093
Transfers In	579,121	0	1,291,137	1,870,258
Transfers Out	0	0	(1,870,258)	(1,870,258)
Total Other Financing Sources (Uses)	<u>\$ 877,214</u>	<u>\$ 0</u>	<u>\$ (579,121)</u>	<u>\$ 298,093</u>

(Continued)

Exhibit K-4

Montgomery County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Net Change in Fund Balances	\$ 1,169,257	\$ (1,063,713)	\$ (624,036)	\$ (518,492)
Fund Balance, July 1, 2019	32,375,622	2,330,718	12,319,677	47,026,017
Fund Balance, June 30, 2020	\$ 33,544,879	\$ 1,267,005	\$ 11,695,641	\$ 46,507,525

Exhibit K-5

Montgomery County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement  
of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit K-4)		\$	(518,492)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	7,746,509	
Less: current-year depreciation expense		(12,161,501)	(4,414,992)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(77,043)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$	(5,797,511)	
Add: deferred delinquent property taxes and other deferred June 30, 2020		6,527,593	730,082
(4) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school system of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal contributions on leases to primary government			896,153
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in net pension asset - public employee retirement plan	\$	(50,134)	
Change in net pension asset - public employee legacy pension plan		2,918,917	
Change in net pension asset - teacher retirement plan		598,545	
Change in net pension asset - teacher legacy pension plan		20,759,135	
Change in deferred outflows of resources related to pensions		(3,002,933)	
Change in deferred inflows of resources related to pensions		(13,499,259)	
Change in deferred outflows of resources related to OPEB		(988,279)	
Change in deferred inflows of resources related to OPEB		112,272	
Change in claims and judgments payable		(22,500)	
Change in other postemployment benefits liability		(1,924,282)	
Change in compensated absences payable		(1,382,264)	3,519,218
Change in net position of governmental activities (Exhibit B)	\$		<u>134,926</u>

## Exhibit K-6

Montgomery County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System  
June 30, 2020

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program	
<u>ASSETS</u>					
Cash	\$ 0	\$ 262,453	\$ 0	\$ 0	\$ 262,453
Equity in Pooled Cash and Investments	1,852,099	6,015,347	3,079,796	188,150	11,135,392
Inventories	0	331,925	0	0	331,925
Accounts Receivable	169	7,066	38,703	0	45,938
Due from Other Governments	1,774,704	323,361	312,500	0	2,410,565
Due from Other Funds	19,179	126,732	0	0	145,911
Property Taxes Receivable	0	0	2,051,988	0	2,051,988
Allowance for Uncollectible Property Taxes	0	0	(32,787)	0	(32,787)
Restricted Assets	0	54,044	98,943	430	153,417
Total Assets	<u>\$ 3,646,151</u>	<u>\$ 7,120,928</u>	<u>\$ 5,549,143</u>	<u>\$ 188,580</u>	<u>\$ 16,504,802</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 105,495	\$ 16,750	\$ 25,777	\$ 0	\$ 148,022
Accrued Payroll	598,546	0	0	0	598,546
Payroll Deductions Payable	317,954	0	0	0	317,954
Due to Other Funds	661,109	349,679	0	0	1,010,788
Due to Primary Government	364,788	0	3,720	0	368,508
Current Liabilities Payable From Restricted Assets	0	355,660	0	0	355,660
Total Liabilities	<u>\$ 2,047,892</u>	<u>\$ 722,089</u>	<u>\$ 29,497</u>	<u>\$ 0</u>	<u>\$ 2,799,478</u>

(Continued)

## Exhibit K-6

Montgomery County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program	
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 1,952,573	\$ 0	\$ 1,952,573
Deferred Delinquent Property Taxes	0	0	57,110	0	57,110
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,009,683</u>	<u>\$ 0</u>	<u>\$ 2,009,683</u>
FUND BALANCES					
Nonspendable:					
Inventory	\$ 0	\$ 331,925	\$ 0	\$ 0	\$ 331,925
Restricted:					
Restricted for Education	598,259	6,012,870	0	0	6,611,129
Restricted for Hybrid Retirement Stabilization Funds	0	54,044	98,943	430	153,417
Committed:					
Committed for Education	1,000,000	0	3,411,020	188,150	4,599,170
Total Fund Balances	<u>\$ 1,598,259</u>	<u>\$ 6,398,839</u>	<u>\$ 3,509,963</u>	<u>\$ 188,580</u>	<u>\$ 11,695,641</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,646,151</u>	<u>\$ 7,120,928</u>	<u>\$ 5,549,143</u>	<u>\$ 188,580</u>	<u>\$ 16,504,802</u>

## Exhibit K-7

Montgomery County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program	
<u>Revenues</u>					
Local Taxes	\$ 0	\$ 0	\$ 2,584,069	\$ 0	\$ 2,584,069
Charges for Current Services	0	3,908,595	0	6,280	3,914,875
Other Local Revenues	0	87,356	26,838	0	114,194
State of Tennessee	1,218,695	160,518	12,481,000	0	13,860,213
Federal Government	16,953,182	12,526,720	105,000	0	29,584,902
Total Revenues	\$ 18,171,877	\$ 16,683,189	\$ 15,196,907	\$ 6,280	\$ 50,058,253
<u>Expenditures</u>					
Current:					
Instruction	\$ 7,448,191	\$ 0	\$ 0	\$ 0	\$ 7,448,191
Support Services	8,410,675	0	16,774,462	0	25,185,137
Operation of Non-Instructional Services	0	17,469,840	0	0	17,469,840
Total Expenditures	\$ 15,858,866	\$ 17,469,840	\$ 16,774,462	\$ 0	\$ 50,103,168
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,313,011	\$ (786,651)	\$ (1,577,555)	\$ 6,280	\$ (44,915)
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 1,291,137	\$ 0	\$ 1,291,137
Transfers Out	(1,870,258)	0	0	0	(1,870,258)
Total Other Financing Sources (Uses)	\$ (1,870,258)	\$ 0	\$ 1,291,137	\$ 0	\$ (579,121)

(Continued)

Exhibit K-7

Montgomery County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program	
Net Change in Fund Balances	\$ 442,753	\$ (786,651)	\$ (286,418)	\$ 6,280	\$ (624,036)
Fund Balance, July 1, 2019	1,155,506	7,185,490	3,796,381	182,300	12,319,677
Fund Balance, June 30, 2020	<u>\$ 1,598,259</u>	<u>\$ 6,398,839</u>	<u>\$ 3,509,963</u>	<u>\$ 188,580</u>	<u>\$ 11,695,641</u>



Exhibit K-8

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
General Purpose School Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 97,512,237	\$ 0	\$ 0	\$ 97,512,237	\$ 99,459,065	\$ 95,324,058	\$ 2,188,179
Charges for Current Services	627,304	0	0	627,304	484,817	581,438	45,866
Other Local Revenues	1,235,488	0	0	1,235,488	710,579	890,331	345,157
State of Tennessee	185,795,966	0	0	185,795,966	182,850,106	185,394,351	401,615
Federal Government	3,467,176	0	0	3,467,176	2,451,092	3,653,787	(186,611)
Other Governments and Citizens Groups	14,830,873	0	0	14,830,873	85,858	14,833,427	(2,554)
Total Revenues	\$ 303,469,044	\$ 0	\$ 0	\$ 303,469,044	\$ 286,041,517	\$ 300,677,392	\$ 2,791,652
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 143,059,950	\$ (3,428)	\$ 0	\$ 143,056,522	\$ 147,643,824	\$ 147,545,783	\$ 4,489,261
Alternative Instruction Program	1,217,886	0	0	1,217,886	1,201,270	1,246,198	28,312
Special Education Program	32,428,949	0	0	32,428,949	32,767,757	34,103,679	1,674,730
Career and Technical Education Program	6,218,952	0	83,248	6,302,200	6,464,345	6,508,726	206,526
<u>Support Services</u>							
Attendance	910,654	(88)	0	910,566	944,142	944,178	33,612
Health Services	2,010,883	0	0	2,010,883	2,019,761	2,123,723	112,840
Other Student Support	11,021,603	0	0	11,021,603	10,734,855	11,668,779	647,176
Regular Instruction Program	15,286,660	(750)	0	15,285,910	16,326,264	16,449,469	1,163,559
Alternative Instruction Program	27,642	0	0	27,642	26,753	27,642	0
Special Education Program	2,884,666	(3,095)	0	2,881,571	3,587,531	3,327,434	445,863
Career and Technical Education Program	159,060	0	0	159,060	139,879	165,939	6,879
Technology	22,174,179	(148,742)	63,571	22,089,008	23,864,101	24,557,452	2,468,444
Adult Programs	302,774	0	0	302,774	290,535	312,280	9,506
Board of Education	4,240,110	(23,158)	0	4,216,952	4,146,194	4,542,490	325,538
Director of Schools	1,620,756	(18,782)	1,526	1,603,500	1,816,928	1,801,456	197,956
Office of the Principal	20,401,076	0	0	20,401,076	20,606,504	20,898,219	497,143
Fiscal Services	2,681,537	0	0	2,681,537	2,832,047	2,848,463	166,926
Human Services/Personnel	2,758,998	(1,750)	24,739	2,781,987	3,033,160	3,281,576	499,589

(Continued)

Exhibit K-8

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Operation of Plant	\$ 17,532,608	\$ (306,408)	\$ 109,413	\$ 17,335,613	\$ 19,383,861	\$ 19,872,407	\$ 2,536,794
Maintenance of Plant	7,005,444	(453,771)	168,117	6,719,790	7,932,920	7,930,838	1,211,048
<u>Operation of Non-Instructional Services</u>							
Early Childhood Education	2,305,936	(6,921)	0	2,299,015	2,652,575	2,884,031	585,016
<u>Principal on Debt</u>							
Education	0	0	0	0	5,820,435	0	0
<u>Interest on Debt</u>							
Education	0	0	0	0	394,164	0	0
<u>Other Debt Service</u>							
Education	6,926,678	0	0	6,926,678	0	6,926,678	0
Total Expenditures	\$ 303,177,001	\$ (966,893)	\$ 450,614	\$ 302,660,722	\$ 314,629,805	\$ 319,967,440	\$ 17,306,718
Excess (Deficiency) of Revenues Over Expenditures	\$ 292,043	\$ 966,893	\$ (450,614)	\$ 808,322	\$ (28,588,288)	\$ (19,290,048)	\$ 20,098,370
<u>Other Financing Sources (Uses)</u>							
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,400,000	\$ 0	\$ 0
Insurance Recovery	298,093	0	0	298,093	1,000	298,093	0
Transfers In	579,121	0	0	579,121	667,624	667,624	(88,503)
Transfers Out	0	0	0	0	(531,456)	0	0
Total Other Financing Sources	\$ 877,214	\$ 0	\$ 0	\$ 877,214	\$ 16,537,168	\$ 965,717	\$ (88,503)
Net Change in Fund Balance	\$ 1,169,257	\$ 966,893	\$ (450,614)	\$ 1,685,536	\$ (12,051,120)	\$ (18,324,331)	\$ 20,009,867
Fund Balance, July 1, 2019	32,375,622	(966,893)	0	31,408,729	29,026,325	30,239,615	1,169,114
Fund Balance, June 30, 2020	\$ 33,544,879	\$ 0	\$ (450,614)	\$ 33,094,265	\$ 16,975,205	\$ 11,915,284	\$ 21,178,981

Exhibit K-9

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
School Federal Projects Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
State of Tennessee	\$ 1,218,695	\$ 0	\$ 1,218,695	\$ 2,017,956	\$ 1,865,139	\$ (646,444)
Federal Government	16,953,182	0	16,953,182	19,244,896	19,543,373	(2,590,191)
Total Revenues	<u>\$ 18,171,877</u>	<u>\$ 0</u>	<u>\$ 18,171,877</u>	<u>\$ 21,262,852</u>	<u>\$ 21,408,512</u>	<u>\$ (3,236,635)</u>
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 4,347,850	\$ 0	\$ 4,347,850	\$ 4,792,243	\$ 5,435,118	\$ 1,087,268
Special Education Program	2,795,049	(2,400)	2,792,649	3,637,296	3,014,922	222,273
Career and Technical Education Program	305,292	0	305,292	259,233	339,784	34,492
<u>Support Services</u>						
Health Services	149,087	0	149,087	155,000	155,000	5,913
Other Student Support	737,696	0	737,696	523,824	1,025,923	288,227
Regular Instruction Program	5,416,109	0	5,416,109	8,091,005	7,336,051	1,919,942
Special Education Program	1,664,001	0	1,664,001	1,712,838	1,747,370	83,369
Career and Technical Education Program	30,879	0	30,879	4,700	50,328	19,449
Maintenance of Plant	365,152	(3,972)	361,180	0	385,950	24,770
Transportation	47,751	0	47,751	1,401,647	114,449	66,698
Total Expenditures	<u>\$ 15,858,866</u>	<u>\$ (6,372)</u>	<u>\$ 15,852,494</u>	<u>\$ 20,577,786</u>	<u>\$ 19,604,895</u>	<u>\$ 3,752,401</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,313,011</u>	<u>\$ 6,372</u>	<u>\$ 2,319,383</u>	<u>\$ 685,066</u>	<u>\$ 1,803,617</u>	<u>\$ 515,766</u>
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 1,000,000	\$ 1,000,000	\$ (1,000,000)
Transfers Out	(1,870,258)	0	(1,870,258)	(1,685,066)	(2,959,126)	1,088,868
Total Other Financing Sources	<u>\$ (1,870,258)</u>	<u>\$ 0</u>	<u>\$ (1,870,258)</u>	<u>\$ (685,066)</u>	<u>\$ (1,959,126)</u>	<u>\$ 88,868</u>

(Continued)

Exhibit K-9

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
School Federal Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 442,753	\$ 6,372	\$ 449,125	\$ 0	\$ (155,509)	\$ 604,634
Fund Balance, July 1, 2019	1,155,506	(6,372)	1,149,134	1,000,000	1,000,000	149,134
Fund Balance, June 30, 2020	<u>\$ 1,598,259</u>	<u>\$ 0</u>	<u>\$ 1,598,259</u>	<u>\$ 1,000,000</u>	<u>\$ 844,491</u>	<u>\$ 753,768</u>

Exhibit K-10

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
Central Cafeteria Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 3,908,595	\$ 0	\$ 0	\$ 3,908,595	\$ 5,078,258	\$ 5,078,258	\$ (1,169,663)
Other Local Revenues	87,356	0	0	87,356	73,209	73,209	14,147
State of Tennessee	160,518	0	0	160,518	144,279	144,279	16,239
Federal Government	12,526,720	0	0	12,526,720	13,307,759	13,448,471	(921,751)
Total Revenues	\$ 16,683,189	\$ 0	\$ 0	\$ 16,683,189	\$ 18,603,505	\$ 18,744,217	\$ (2,061,028)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 17,469,840	\$ (5,097)	\$ 30,076	\$ 17,494,819	\$ 19,716,710	\$ 19,874,697	\$ 2,379,878
Total Expenditures	\$ 17,469,840	\$ (5,097)	\$ 30,076	\$ 17,494,819	\$ 19,716,710	\$ 19,874,697	\$ 2,379,878
Excess (Deficiency) of Revenues Over Expenditures	\$ (786,651)	\$ 5,097	\$ (30,076)	\$ (811,630)	\$ (1,113,205)	\$ (1,130,480)	\$ 318,850
Net Change in Fund Balance	\$ (786,651)	\$ 5,097	\$ (30,076)	\$ (811,630)	\$ (1,113,205)	\$ (1,130,480)	\$ 318,850
Fund Balance, July 1, 2019	7,185,490	(5,097)	0	7,180,393	6,018,329	7,153,750	26,643
Fund Balance, June 30, 2020	\$ 6,398,839	\$ 0	\$ (30,076)	\$ 6,368,763	\$ 4,905,124	\$ 6,023,270	\$ 345,493

Exhibit K-11

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Clarksville-Montgomery County School System  
School Transportation Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 2,584,069	\$ 0	\$ 2,584,069	\$ 2,112,280	\$ 2,112,280	\$ 471,789
Other Local Revenues	26,838	0	26,838	55,700	55,700	(28,862)
State of Tennessee	12,481,000	0	12,481,000	12,168,500	12,481,000	0
Federal Government	105,000	0	105,000	1,291,137	105,000	0
Other Governments and Citizens Groups	0	0	0	105,000	0	0
Total Revenues	<u>\$ 15,196,907</u>	<u>\$ 0</u>	<u>\$ 15,196,907</u>	<u>\$ 15,732,617</u>	<u>\$ 14,753,980</u>	<u>\$ 442,927</u>
<u>Expenditures</u>						
<u>Support Services</u>						
Board of Education	\$ 51,399	\$ 0	\$ 51,399	\$ 43,000	\$ 51,399	\$ 0
Transportation	16,723,063	(1,486,895)	15,236,168	16,857,263	17,133,164	1,896,996
Total Expenditures	<u>\$ 16,774,462</u>	<u>\$ (1,486,895)</u>	<u>\$ 15,287,567</u>	<u>\$ 16,900,263</u>	<u>\$ 17,184,563</u>	<u>\$ 1,896,996</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,577,555)</u>	<u>\$ 1,486,895</u>	<u>\$ (90,660)</u>	<u>\$ (1,167,646)</u>	<u>\$ (2,430,583)</u>	<u>\$ 2,339,923</u>
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 1,291,137	\$ 0	\$ 1,291,137	\$ 0	\$ 1,291,137	\$ 0
Total Other Financing Sources	<u>\$ 1,291,137</u>	<u>\$ 0</u>	<u>\$ 1,291,137</u>	<u>\$ 0</u>	<u>\$ 1,291,137</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (286,418)	\$ 1,486,895	\$ 1,200,477	\$ (1,167,646)	\$ (1,139,446)	\$ 2,339,923
Fund Balance, July 1, 2019	<u>3,796,381</u>	<u>(1,486,895)</u>	<u>2,309,486</u>	<u>1,675,958</u>	<u>2,256,033</u>	<u>53,453</u>
Fund Balance, June 30, 2020	<u>\$ 3,509,963</u>	<u>\$ 0</u>	<u>\$ 3,509,963</u>	<u>\$ 508,312</u>	<u>\$ 1,116,587</u>	<u>\$ 2,393,376</u>

## Exhibit K-12

Montgomery County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Clarksville-Montgomery County School System  
Extended School Program Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 6,280	\$ 175,000	\$ 175,000	\$ (168,720)
Total Revenues	\$ 6,280	\$ 175,000	\$ 175,000	\$ (168,720)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 0	\$ 155,244	\$ 155,244	\$ 155,244
<u>Support Services</u>				
Board of Education	0	600	600	600
Office of the Principal	0	29,571	29,571	29,571
Total Expenditures	\$ 0	\$ 185,415	\$ 185,415	\$ 185,415
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,280	\$ (10,415)	\$ (10,415)	\$ 16,695
Net Change in Fund Balance	\$ 6,280	\$ (10,415)	\$ (10,415)	\$ 16,695
Fund Balance, July 1, 2019	182,300	149,009	181,870	430
Fund Balance, June 30, 2020	\$ 188,580	\$ 138,594	\$ 171,455	\$ 17,125

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## MISCELLANEOUS SCHEDULES

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Exhibit L-1

Montgomery County, Tennessee  
Schedule of Changes in Long-term Notes, Other Loans, Capital Leases, and Bonds  
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Bond Anticipation Note, Series 2019	\$ 7,500,000	1.605	%	9-30-19	3-3-22	\$ 0	\$ 7,500,000	\$ 0	\$ 7,500,000
Capital Outlay Note, Series 2019	4,300,000	1.618		9-30-19	5-15-20	0	4,300,000	0	0
Total Notes Payable						\$ 0	\$ 11,800,000	\$ 0	\$ 7,500,000
<u>OTHER LOANS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Qualified Zone Academy Bonds	3,763,987	0		5-22-06	12-1-20	\$ 389,187	\$ 0	\$ 259,600	\$ 129,587
Qualified School Construction Bonds	20,000,000	1.515		12-1-09	7-1-26	8,976,276	0	1,247,969	7,728,307
Total Other Loans Payable						\$ 9,365,463	\$ 0	\$ 1,507,569	\$ 7,857,894
<u>CAPITAL LEASES PAYABLE</u>									
<u>Contributions Due by the School System from the General Purpose School Fund to the General Debt Service Fund</u>									
Teacher Laptops	435,000	1.703		5-31-17	6-30-20	\$ 109,815	\$ 0	\$ 109,815	\$ 0
Student Laptops	2,000,000	1.703		7-1-17	8-1-20	1,001,273	0	496,377	504,896
Computers	1,168,309	1.703		9-12-17	10-12-20	584,899	0	289,961	294,938
<u>Payable through General Debt Service Fund</u>									
Student Laptops	1,268,052	4.868		8-1-18	8-1-21	928,092	0	294,781	633,311
IT Equipment	3,731,958	2.63		5-15-19	5-15-22	2,371,372	390,958	896,979	1,865,351
Student Laptops	226,997	4.868		6-1-19	6-1-22	166,625	0	53,227	113,398
Laptops	13,133,483	1.985		2-19-20	2-19-23	0	13,133,483	3,777,275	9,356,208
Laptops	1,223,128	3.6563		3-1-20	3-1-23	0	1,223,128	322,725	900,403
Total Capital Lease Payable						\$ 5,162,076	\$ 14,747,569	\$ 6,241,140	\$ 13,668,505

(Continued)

Exhibit L-1

Montgomery County, Tennessee  
Schedule of Changes in Long-term Notes, Other Loans, Capital Leases, and Bonds (Cont.)  
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Schools - Build America Bonds	\$ 5,400,000	4.55 to 5.6 %	2-4-10	5-15-20	\$ 5,400,000	\$ 0	\$ 0	\$ 5,400,000	\$ 0
General Obligation Refunding	74,155,000	2 to 5	4-1-10	4-1-24	46,720,000	0	9,960,000	0	36,760,000
General Obligation School and Public Improvement	62,335,000	2 to 5	7-28-11	4-1-29	28,435,000	0	2,500,000	0	25,935,000
General Obligation Refunding	19,465,000	2 to 5	4-25-12	4-1-25	7,385,000	0	375,000	0	7,010,000
General Obligation Public Improvement and Refunding	27,415,000	2 to 5	10-11-12	4-1-29	17,090,000	0	1,735,000	0	15,355,000
General Obligation Refunding	37,120,000	.20 to 1.65	5-17-13	5-1-20	6,335,000	0	6,335,000	0	0
General Obligation Public Improvement	13,200,000	3 to 5	8-29-13	4-1-28	10,200,000	0	1,000,000	0	9,200,000
General Obligation Refunding	50,155,000	2.5 to 5	5-15-14	4-1-26	25,665,000	0	2,255,000	0	23,410,000
General Obligation Schools	18,060,000	2 to 5	5-15-15	4-1-35	17,660,000	0	100,000	0	17,560,000
General Obligation Refunding and Improvement	19,120,000	2 to 5	11-5-15	4-1-35	17,275,000	0	1,130,000	0	16,145,000
General Obligation Public Improvement	17,600,000	3 to 4	11-30-16	4-1-36	15,080,000	0	745,000	0	14,335,000
General Obligation Refunding	10,830,000	3	11-30-16	4-1-24	10,595,000	0	2,200,000	0	8,395,000
General Obligation Refunding	48,825,000	4 to 5	9-20-17	4-1-37	46,719,779	0	884,779	0	45,835,000
General Obligation Public Improvement	14,630,000	4 to 5	11-14-18	6-30-38	14,185,000	0	470,000	0	13,715,000
General Obligation Public Improvement and Refunding	23,500,000	3 to 5	5-15-20	6-1-40	0	23,500,000	0	0	23,500,000
Total Payable through General Debt Service Fund					\$ 268,744,779	\$ 23,500,000	\$ 29,689,779	\$ 5,400,000	\$ 257,155,000
<u>Contributions Due by the Bi-County Solid Waste Management System to the General Debt Service Fund</u>									
General Obligation Refunding and Improvement	1,240,000	2 to 5	11-5-15	4-1-25	\$ 840,000	\$ 0	\$ 150,000	\$ 0	\$ 690,000
General Obligation Refunding and Improvement	1,665,000	2.33	9-20-17	6-30-27	1,515,221	0	20,221	0	1,495,000
Total Contributions Due by the Bi-County Solid Waste Management System to the General Debt Service Fund					\$ 2,355,221	\$ 0	\$ 170,221	\$ 0	\$ 2,185,000
Total Bonds Payable					\$ 271,100,000	\$ 23,500,000	\$ 29,860,000	\$ 5,400,000	\$ 259,340,000

Exhibit L-2

Montgomery County, Tennessee  
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 0	\$ 210,322	\$ 210,322
2022	7,500,000	30,428	7,530,428
Total	\$ 7,500,000	\$ 240,750	\$ 7,740,750

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2021	\$ 1,377,556	\$ 303,000	\$ 21,246	\$ 1,701,802
2022	1,247,969	303,000	20,000	1,570,969
2023	1,247,969	303,000	20,000	1,570,969
2024	1,247,969	303,000	20,000	1,570,969
2025	1,247,969	303,000	20,000	1,570,969
2026	1,370,814	303,000	20,000	1,693,814
2027	117,648	25,250	5,000	147,898
Total	\$ 7,857,894	\$ 1,843,250	\$ 126,246	\$ 9,827,390

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2021	\$ 5,935,271	\$ 348,251	\$ 6,283,522
2022	5,258,518	211,443	5,469,961
2023	2,474,716	85,088	2,559,804
Total	\$ 13,668,505	\$ 644,782	\$ 14,313,287

(Continued)

Exhibit L-2

Montgomery County, Tennessee

Schedule of Long-term Debt Requirements by Year (Cont.)

Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 31,070,000	\$ 10,539,191	\$ 41,609,191
2022	28,730,000	9,082,813	37,812,813
2023	28,480,000	7,912,663	36,392,663
2024	28,535,000	6,679,564	35,214,564
2025	25,140,000	5,577,163	30,717,163
2026	23,195,000	4,571,913	27,766,913
2027	16,045,000	3,652,087	19,697,087
2028	15,630,000	2,978,300	18,608,300
2029	10,465,000	2,301,150	12,766,150
2030	6,830,000	1,897,749	8,727,749
2031	6,415,000	1,616,063	8,031,063
2032	6,215,000	1,384,088	7,599,088
2033	6,390,000	1,165,282	7,555,282
2034	6,645,000	938,438	7,583,438
2035	6,835,000	700,537	7,535,537
2036	4,710,000	455,537	5,165,537
2037	3,945,000	280,400	4,225,400
2038	2,065,000	132,600	2,197,600
2039	1,000,000	60,000	1,060,000
2040	1,000,000	30,000	1,030,000
Total	\$ 259,340,000	\$ 61,955,538	\$ 321,295,538

Exhibit L-3

Montgomery County, Tennessee  
Schedule of Transfers  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

From Fund	To Fund	Purpose	Amount
<u>DISCRETELY PRESENTED CLARKSVILLE-MONTGOMERY</u> <u>COUNTY SCHOOL SYSTEM</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 579,121
"	School Transportation	Salaries	<u>1,291,137</u>
Total Transfers Discretely Presented Clarksville-Montgomery County School System			<u>\$ 1,870,258</u>

Montgomery County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 170,574 (1)	\$ (7)	
Highway Supervisor	Section 8-24-102, <i>TCA</i>	120,477 (1)	(7)	
Director of Schools	State Board of Education and Local Board of Education	191,538 (2)	100,000	The Cincinnati Insurance Company
Trustee	Section 8-24-102, <i>TCA</i>	109,524	9,000,000	Hartford Fire Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	109,524	(7)	
Director of Accounts and Budgets	County Commission	109,359	(7)	
Purchasing Agent	County Commission	89,945 (3)	(7)	
County Clerk	Section 8-24-102, <i>TCA</i>	109,524 (4)	(7)	
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	109,524	(7)	
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Judge	109,524 (5)	(7)	
Register of Deeds	Section 8-24-102, <i>TCA</i>	109,524	(7)	
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	120,610 (6)	(7)	
<u>County Employees:</u>				
Public Employees Blanket Bond			400,000	Local Government Insurance Pool
<u>School Employees:</u>				
Public Employees Blanket Bond			500,000	Travelers Casualty & Surety Company

- (1) Does not include fringe benefits for the use of a county vehicle.  
(2) Includes a \$5,400 transportation supplement, a \$6,735 payment for unused vacation days, and a \$4,287 reimbursement of employee paid retirement contributions, per employment contract; does not include a \$1,000 CEO supplement.  
(3) Does not include a cell phone allowance of \$600.  
(4) Does not include a cell phone allowance of \$500.  
(5) Does not include special commissioner fees totaling \$15,795.  
(6) Does not include \$7,500 as a workhouse superintendent and \$800 law enforcement training supplement.  
(7) Officials are covered by the employee insurance policy pursuant to Section 8-19-101, *TCA*.

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 47,200,265	\$ 0	\$ 0	\$ 4,982,564	\$ 38,058,961
Trustee's Collections - Prior Year	691,497	0	0	74,123	554,701
Trustee's Collections - Bankruptcy	19,772	0	0	2,088	15,948
Circuit Clerk/Clerk and Master Collections - Prior Years	523,518	0	0	55,298	422,273
Interest and Penalty	328,857	0	0	34,734	265,266
Payments in-Lieu-of Taxes - T.V.A.	763	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	1,420,769	0	0	0	0
Payments in-Lieu-of Taxes - Other	640,927	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	373,937
Hotel/Motel Tax	1,558,702	0	0	0	0
Wheel Tax	0	0	0	0	0
Litigation Tax - General	343,923	0	0	0	326,549
Litigation Tax - Special Purpose	69,047	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	362,913
Business Tax	1,637,024	0	0	141,123	141,123
Mineral Severance Tax	0	0	0	272,360	0
Adequate Facilities/Development Tax	0	0	0	0	2,527,500
<u>Statutory Local Taxes</u>					
Bank Excise Tax	266,437	0	0	28,143	214,910
Wholesale Beer Tax	444,376	0	0	0	0
Total Local Taxes	\$ 55,145,877	\$ 0	\$ 0	\$ 5,590,433	\$ 43,264,081

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Animal Registration	\$ 201,976	\$ 0	\$ 0	\$ 0	0
Animal Vaccination	4,680	0	0	0	0
Cable TV Franchise	306,524	0	0	0	0
<u>Permits</u>					
Building Permits	1,143,798	0	0	0	0
Plumbing Permits	26,350	0	0	0	0
Other Permits	231,077	0	0	0	0
Total Licenses and Permits	<u>\$ 1,914,405</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 8,303	\$ 0	\$ 0	\$ 0	0
Officers Costs	17,053	0	0	0	0
Drug Court Fees	1,895	0	0	0	0
Veterans Treatment Court Fees	1,280	0	0	0	0
Data Entry Fee - Circuit Court	9,399	0	0	0	0
Courtroom Security Fee	5,946	0	0	0	0
Victims Assistance Assessments	2,778	0	0	0	0
<u>General Sessions Court</u>					
Fines	126,273	0	0	0	0
Fines for Littering	48	0	0	0	0
Officers Costs	209,616	0	0	0	0
Game and Fish Fines	367	0	0	0	0
Drug Court Fees	18,393	0	0	0	0
Veterans Treatment Court Fees	12,425	0	0	0	0

(Continued)



## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Jail Fees	\$ 226,710	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	16,199	0	0	0	0
Data Entry Fee - General Sessions Court	49,426	0	0	0	0
Victims Assistance Assessments	42,013	0	0	0	0
<u>Juvenile Court</u>					
Fines	1,237	0	0	0	0
Officers Costs	18,571	0	0	0	0
Jail Fees	55,137	0	0	0	0
Data Entry Fee - Juvenile Court	7,834	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	43,301	0	0	0	0
Data Entry Fee - Chancery Court	6,476	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	12	0	0	0	0
Drug Control Fines	0	9,974	0	0	0
Drug Court Fees	51,982	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	4,947	3,430	0	0	0
Other Fines, Forfeitures, and Penalties	26,603	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 964,224	\$ 13,404	\$ 0	\$ 0	0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 6,920,962	\$ 0	\$ 0	\$ 0	0
Zoning Studies	4,245	0	0	0	0
Other General Service Charges	58,968	0	0	0	0

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>					
<u>Fees</u>					
Recreation Fees	\$ 18,370	\$ 0	\$ 0	\$ 0	\$ 0
Copy Fees	11,040	0	0	0	0
Archives and Records Management Fee	475,017	0	0	0	0
Greenbelt Late Application Fee	200	0	0	0	0
Telephone Commissions	218,650	0	0	0	0
Vending Machine Collections	114,114	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	15,795	0	0
Data Processing Fee - Register	94,496	0	0	0	0
Probation Fees	18,560	0	0	0	0
Data Processing Fee - Sheriff	23,820	0	0	0	0
Sexual Offender Registration Fee - Sheriff	19,200	0	0	0	0
Data Processing Fee - County Clerk	20,259	0	0	0	0
<u>Education Charges</u>					
Other Charges for Services	19,878	0	0	0	0
Total Charges for Current Services	\$ 8,017,779	\$ 0	\$ 15,795	\$ 0	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 1,601,946	\$ 0	\$ 0	\$ 712	\$ 1,012,630
Lease/Rentals	626,805	0	0	0	0
Sale of Maps	2,525	0	0	0	0
Sale of Recycled Materials	257	0	0	0	0
Miscellaneous Refunds	265,705	0	0	13,339	0
<u>Nonrecurring Items</u>					
Sale of Equipment	6,402	0	0	0	0

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items (Cont.)</u>					
Sale of Property	\$ 0	\$ 0	\$ 0	\$ 0	\$ 396,349
Contributions and Gifts	5,000	0	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	506,733	0	0	0	0
Total Other Local Revenues	\$ 3,015,373	\$ 0	\$ 0	\$ 14,051	\$ 1,408,979
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 2,033,990	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	664,232	0	0	0	0
General Sessions Court Clerk	1,462,473	0	0	0	0
Clerk and Master	485,586	0	0	0	0
Juvenile Court Clerk	204,680	0	0	0	0
Register	1,681,116	0	0	0	0
Sheriff	72,364	0	0	0	0
Trustee	4,144,345	0	0	0	0
Total Fees Received From County Officials	\$ 10,748,786	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 578,688	\$ 0	\$ 0	\$ 0	\$ 0
Other General Government Grants	0	0	0	0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	94,400	0	0	0	0

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>					
<u>Health and Welfare Grants</u>					
Other Health and Welfare Grants	\$ 113,106	\$ 0	\$ 0	\$ 0	0
<u>Public Works Grants</u>					
Bridge Program	0	0	0	382,425	0
Litter Program	81,600	0	0	0	0
<u>Other State Revenues</u>					
Beer Tax	18,175	0	0	0	0
Vehicle Certificate of Title Fees	23,590	0	0	0	0
Alcoholic Beverage Tax	296,005	0	0	0	0
State Revenue Sharing - T.V.A.	1,828,069	0	0	0	0
State Revenue Sharing - Telecommunications	251,186	0	0	0	0
Prisoner Transportation	9,636	0	0	0	0
Contracted Prisoner Boarding	1,378,205	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	3,995,415	0
Petroleum Special Tax	0	0	0	124,345	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	2,916,606	0	0	0	0
Other State Revenues	143,200	0	0	0	0
Total State of Tennessee	\$ 7,747,630	\$ 0	\$ 0	\$ 4,502,185	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Homeland Security Grants	\$ 291,352	\$ 0	\$ 0	\$ 0	0
COVID-19 Grant #5	8,602	0	0	1,650	0
COVID-19 Grant A	161,342	0	0	0	0
COVID-19 Grant B	2,060	0	0	0	0

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
COVID-19 Grant C	\$ 66,111	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	114,015	0	0	0	0
<u>Direct Federal Revenue</u>					
Asset Forfeiture Funds	188,998	0	0	0	0
Tax Credit Bond Rebate	0	0	0	0	45,500
Other Direct Federal Revenue	88,168	0	0	0	0
Total Federal Government	<u>\$ 920,648</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,650</u>	<u>\$ 45,500</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 733	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	523,620	0	0	0	7,198,319
Contracted Services	260,249	0	0	0	0
<u>Citizens Groups</u>					
Donations	10,688	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 795,290</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,198,319</u>
Total	<u>\$ 89,270,012</u>	<u>\$ 13,404</u>	<u>\$ 15,795</u>	<u>\$ 10,108,319</u>	<u>\$ 51,916,879</u>

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 14,193,212	\$ 104,435,002
Trustee's Collections - Prior Year	238,292	1,558,613
Trustee's Collections - Bankruptcy	5,954	43,762
Circuit Clerk/Clerk and Master Collections - Prior Years	157,649	1,158,738
Interest and Penalty	98,951	727,808
Payments in-Lieu-of Taxes - T.V.A.	0	763
Payments in-Lieu-of Taxes - Local Utilities	0	1,420,769
Payments in-Lieu-of Taxes - Other	0	640,927
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	373,937
Hotel/Motel Tax	1,558,706	3,117,408
Wheel Tax	3,066,601	3,066,601
Litigation Tax - General	0	670,472
Litigation Tax - Special Purpose	0	69,047
Litigation Tax - Jail, Workhouse, or Courthouse	0	362,913
Business Tax	0	1,919,270
Mineral Severance Tax	0	272,360
Adequate Facilities/Development Tax	0	2,527,500
<u>Statutory Local Taxes</u>		
Bank Excise Tax	80,233	589,723
Wholesale Beer Tax	0	444,376
Total Local Taxes	<u>\$ 19,399,598</u>	<u>\$ 123,399,989</u>

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<hr/>		
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Registration	\$ 0	\$ 201,976
Animal Vaccination	0	4,680
Cable TV Franchise	0	306,524
<u>Permits</u>		
Building Permits	0	1,143,798
Plumbing Permits	0	26,350
Other Permits	0	231,077
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 1,914,405</u>
 <u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 8,303
Officers Costs	0	17,053
Drug Court Fees	0	1,895
Veterans Treatment Court Fees	0	1,280
Data Entry Fee - Circuit Court	0	9,399
Courtroom Security Fee	0	5,946
Victims Assistance Assessments	0	2,778
<u>General Sessions Court</u>		
Fines	0	126,273
Fines for Littering	0	48
Officers Costs	0	209,616
Game and Fish Fines	0	367
Drug Court Fees	0	18,393
Veterans Treatment Court Fees	0	12,425

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>		
	General Capital Projects		Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
Jail Fees	\$	0	\$ 226,710
DUI Treatment Fines		0	16,199
Data Entry Fee - General Sessions Court		0	49,426
Victims Assistance Assessments		0	42,013
<u>Juvenile Court</u>			
Fines		0	1,237
Officers Costs		0	18,571
Jail Fees		0	55,137
Data Entry Fee - Juvenile Court		0	7,834
<u>Chancery Court</u>			
Officers Costs		0	43,301
Data Entry Fee - Chancery Court		0	6,476
<u>Other Courts - In-county</u>			
Fines		0	12
Drug Control Fines		0	9,974
Drug Court Fees		0	51,982
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property		0	8,377
Other Fines, Forfeitures, and Penalties		0	26,603
Total Fines, Forfeitures, and Penalties	\$	0	\$ 977,628
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Patient Charges	\$	0	\$ 6,920,962
Zoning Studies		0	4,245
Other General Service Charges		0	58,968

(Continued)



## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Fees</u>		
Recreation Fees	\$ 0	\$ 18,370
Copy Fees	0	11,040
Archives and Records Management Fee	0	475,017
Greenbelt Late Application Fee	0	200
Telephone Commissions	0	218,650
Vending Machine Collections	0	114,114
Special Commissioner Fees/Special Master Fees	0	15,795
Data Processing Fee - Register	0	94,496
Probation Fees	0	18,560
Data Processing Fee - Sheriff	0	23,820
Sexual Offender Registration Fee - Sheriff	0	19,200
Data Processing Fee - County Clerk	0	20,259
<u>Education Charges</u>		
Other Charges for Services	0	19,878
Total Charges for Current Services	\$ 0	\$ 8,033,574
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 71,942	\$ 2,687,230
Lease/Rentals	0	626,805
Sale of Maps	0	2,525
Sale of Recycled Materials	0	257
Miscellaneous Refunds	0	279,044
<u>Nonrecurring Items</u>		
Sale of Equipment	0	6,402

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<hr/>		
<u>Other Local Revenues (Cont.)</u>		
<u>Nonrecurring Items (Cont.)</u>		
Sale of Property	\$ 0	\$ 396,349
Contributions and Gifts	0	5,000
<u>Other Local Revenues</u>		
Other Local Revenues	0	506,733
Total Other Local Revenues	<u>\$ 71,942</u>	<u>\$ 4,510,345</u>
 <u>Fees Received From County Officials</u>		
<u>Fees In-Lieu-of Salary</u>		
County Clerk	\$ 0	\$ 2,033,990
Circuit Court Clerk	0	664,232
General Sessions Court Clerk	0	1,462,473
Clerk and Master	0	485,586
Juvenile Court Clerk	0	204,680
Register	0	1,681,116
Sheriff	0	72,364
Trustee	0	4,144,345
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 10,748,786</u>
 <u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 578,688
Other General Government Grants	375,000	375,000
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	94,400

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>State of Tennessee (Cont.)</u>		
<u>Health and Welfare Grants</u>		
Other Health and Welfare Grants	\$ 0	\$ 113,106
<u>Public Works Grants</u>		
Bridge Program	0	382,425
Litter Program	0	81,600
<u>Other State Revenues</u>		
Beer Tax	0	18,175
Vehicle Certificate of Title Fees	0	23,590
Alcoholic Beverage Tax	0	296,005
State Revenue Sharing - T.V.A.	0	1,828,069
State Revenue Sharing - Telecommunications	0	251,186
Prisoner Transportation	0	9,636
Contracted Prisoner Boarding	0	1,378,205
Gasoline and Motor Fuel Tax	0	3,995,415
Petroleum Special Tax	0	124,345
Registrar's Salary Supplement	0	15,164
Other State Grants	0	2,916,606
Other State Revenues	0	143,200
Total State of Tennessee	\$ 375,000	\$ 12,624,815
<u>Federal Government</u>		
<u>Federal Through State</u>		
Homeland Security Grants	\$ 0	\$ 291,352
COVID-19 Grant #5	0	10,252
COVID-19 Grant A	0	161,342
COVID-19 Grant B	0	2,060

(Continued)

## Exhibit L-5

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Federal Government (Cont.)</u>		
<u>Federal Through State (Cont.)</u>		
COVID-19 Grant C	\$ 0	\$ 66,111
Other Federal through State	64,712	178,727
<u>Direct Federal Revenue</u>		
Asset Forfeiture Funds	0	188,998
Tax Credit Bond Rebate	0	45,500
Other Direct Federal Revenue	0	88,168
Total Federal Government	<u>\$ 64,712</u>	<u>\$ 1,032,510</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Prisoner Board	\$ 0	\$ 733
Contributions	941,290	8,663,229
Contracted Services	0	260,249
<u>Citizens Groups</u>		
Donations	150	10,838
Total Other Governments and Citizens Groups	<u>\$ 941,440</u>	<u>\$ 8,935,049</u>
Total	<u>\$ 20,852,692</u>	<u>\$ 172,177,101</u>

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 27,830,886	\$ 0	\$ 0	\$ 2,430,540	\$ 0
Trustee's Collections - Prior Year	492,328	0	0	42,969	0
Trustee's Collections - Bankruptcy	11,961	0	0	1,044	0
Circuit Clerk/Clerk and Master Collections - Prior Years	316,705	0	0	27,649	0
Interest and Penalty	198,963	0	0	17,366	0
Payments in-Lieu-of Taxes - Local Utilities	577,657	0	0	50,430	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	61,639,818	0	0	0	0
Wheel Tax	4,939,471	0	0	0	0
Business Tax	924,207	0	0	0	0
Mixed Drink Tax	419,059	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	161,182	0	0	14,071	0
Total Local Taxes	\$ 97,512,237	\$ 0	\$ 0	\$ 2,584,069	\$ 0
<u>Charges for Current Services</u>					
<u>Fees</u>					
Archives and Records Management Fee	\$ 4,960	\$ 0	\$ 0	\$ 0	\$ 0
<u>Education Charges</u>					
Tuition - Other	62,300	0	0	0	6,280
Lunch Payments - Children	0	0	2,584,099	0	0
Lunch Payments - Adults	0	0	117,048	0	0
Income from Breakfast	0	0	147,097	0	0
A la Carte Sales	0	0	1,035,583	0	0

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
School Based Health Services - FFS	\$ 113,622	\$ 0	\$ 0	\$ 0	\$ 0
TBI Criminal Background Fee	36,740	0	0	0	0
Other Charges for Services	409,682	0	24,768	0	0
Total Charges for Current Services	<u>\$ 627,304</u>	<u>\$ 0</u>	<u>\$ 3,908,595</u>	<u>\$ 0</u>	<u>\$ 6,280</u>
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 85,650	\$ 0	\$ 16,897	\$ 0	\$ 0
Lease/Rentals	146,687	0	0	0	0
Sale of Materials and Supplies	0	0	33,821	1,898	0
Sale of Recycled Materials	2,719	0	0	875	0
E-Rate Funding	357,354	0	0	0	0
Miscellaneous Refunds	79,214	0	767	16,772	0
<u>Nonrecurring Items</u>					
Sale of Equipment	355,529	0	35,812	6,429	0
Damages Recovered from Individuals	114,767	0	0	864	0
Contributions and Gifts	87,546	0	59	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	6,022	0	0	0	0
Total Other Local Revenues	<u>\$ 1,235,488</u>	<u>\$ 0</u>	<u>\$ 87,356</u>	<u>\$ 26,838</u>	<u>\$ 0</u>
<u>State of Tennessee</u>					
<u>Health and Welfare Grants</u>					
Other Health and Welfare Grants	\$ 7,111	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 183,439,528	\$ 0	\$ 0	\$ 12,168,500	\$ 0
Early Childhood Education	1,840,911	0	0	0	0
School Food Service	0	0	160,518	0	0
Other State Education Funds	37,825	149,086	0	0	0
Career Ladder Program	241,211	0	0	0	0
Other Vocational	32,505	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	196,875	0	0	0	0
Other State Grants	0	0	0	312,500	0
Safe Schools	0	1,069,609	0	0	0
Total State of Tennessee	\$ 185,795,966	\$ 1,218,695	\$ 160,518	\$ 12,481,000	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 6,517,738	\$ 0	\$ 0
USDA - Commodities	0	0	1,115,770	0	0
Breakfast	0	0	2,705,504	0	0
USDA - Other	0	0	23,060	0	0
Vocational Education - Basic Grants to States	0	609,849	0	0	0
Title I Grants to Local Education Agencies	0	7,102,899	0	0	0
Special Education - Grants to States	1,124,153	5,903,665	0	0	0
Special Education Preschool Grants	12,194	70,455	0	0	0
English Language Acquisition Grants	0	107,295	0	0	0
Education for Homeless Children and Youth	0	87,396	0	0	0

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Extended School Program
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Eisenhower Professional Development State Grants	\$ 0	\$ 999,654	\$ 0	\$ 0	\$ 0
COVID-19 Grant #1	66,348	0	773,685	0	0
COVID-19 Grant #2	0	0	1,233,326	0	0
COVID-19 Grant #3	0	0	136,137	0	0
Other Federal through State	0	605,852	0	105,000	0
<u>Direct Federal Revenue</u>					
Public Law 874 - Maintenance and Operation	1,592,746	0	0	0	0
ROTC Reimbursement	671,735	0	0	0	0
Other Direct Federal Revenue	0	1,466,117	21,500	0	0
Total Federal Government	<u>\$ 3,467,176</u>	<u>\$ 16,953,182</u>	<u>\$ 12,526,720</u>	<u>\$ 105,000</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 14,771,933	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	28,940	0	0	0	0
<u>Other</u>					
Other	30,000	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 14,830,873</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 303,469,044</u>	<u>\$ 18,171,877</u>	<u>\$ 16,683,189</u>	<u>\$ 15,196,907</u>	<u>\$ 6,280</u>

(Continued)



## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	<u>Capital Projects Fund</u>	
	<u>Education Capital Projects</u>	<u>Total</u>
<hr/>		
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 30,261,426
Trustee's Collections - Prior Year	0	535,297
Trustee's Collections - Bankruptcy	0	13,005
Circuit Clerk/Clerk and Master Collections - Prior Years	0	344,354
Interest and Penalty	0	216,329
Payments in-Lieu-of Taxes - Local Utilities	0	628,087
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	61,639,818
Wheel Tax	0	4,939,471
Business Tax	0	924,207
Mixed Drink Tax	0	419,059
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	175,253
Total Local Taxes	<hr/> \$ 0	<hr/> \$ 100,096,306
<u>Charges for Current Services</u>		
<u>Fees</u>		
Archives and Records Management Fee	\$ 0	\$ 4,960
<u>Education Charges</u>		
Tuition - Other	0	68,580
Lunch Payments - Children	0	2,584,099
Lunch Payments - Adults	0	117,048
Income from Breakfast	0	147,097
A la Carte Sales	0	1,035,583

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<hr/>		
<u>Charges for Current Services (Cont.)</u>		
<u>Education Charges (Cont.)</u>		
School Based Health Services - FFS	\$ 0	\$ 113,622
TBI Criminal Background Fee	0	36,740
Other Charges for Services	0	434,450
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 4,542,179</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 102,547
Lease/Rentals	0	146,687
Sale of Materials and Supplies	0	35,719
Sale of Recycled Materials	0	3,594
E-Rate Funding	0	357,354
Miscellaneous Refunds	0	96,753
<u>Nonrecurring Items</u>		
Sale of Equipment	0	397,770
Damages Recovered from Individuals	0	115,631
Contributions and Gifts	0	87,605
<u>Other Local Revenues</u>		
Other Local Revenues	0	6,022
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 1,349,682</u>
<u>State of Tennessee</u>		
<u>Health and Welfare Grants</u>		
Other Health and Welfare Grants	\$ 0	\$ 7,111

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<hr/>		
<u>State of Tennessee (Cont.)</u>		
<u>State Education Funds</u>		
Basic Education Program	\$ 0	\$ 195,608,028
Early Childhood Education	0	1,840,911
School Food Service	0	160,518
Other State Education Funds	0	186,911
Career Ladder Program	0	241,211
Other Vocational	0	32,505
<u>Other State Revenues</u>		
Income Tax	0	196,875
Other State Grants	0	312,500
Safe Schools	0	1,069,609
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 199,656,179</u>
<hr/>		
<u>Federal Government</u>		
<u>Federal Through State</u>		
USDA School Lunch Program	\$ 0	\$ 6,517,738
USDA - Commodities	0	1,115,770
Breakfast	0	2,705,504
USDA - Other	0	23,060
Vocational Education - Basic Grants to States	0	609,849
Title I Grants to Local Education Agencies	0	7,102,899
Special Education - Grants to States	0	7,027,818
Special Education Preschool Grants	0	82,649
English Language Acquisition Grants	0	107,295
Education for Homeless Children and Youth	0	87,396

(Continued)

## Exhibit L-6

Montgomery County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<hr/>		
<u>Federal Government (Cont.)</u>		
<u>Federal Through State (Cont.)</u>		
Eisenhower Professional Development State Grants	\$ 0	\$ 999,654
COVID-19 Grant #1	0	840,033
COVID-19 Grant #2	0	1,233,326
COVID-19 Grant #3	0	136,137
Other Federal through State	0	710,852
<u>Direct Federal Revenue</u>		
Public Law 874 - Maintenance and Operation	0	1,592,746
ROTC Reimbursement	0	671,735
Other Direct Federal Revenue	0	1,487,617
Total Federal Government	<u>\$ 0</u>	<u>\$ 33,052,078</u>
 <u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	\$ 3,468,000	\$ 18,239,933
Contracted Services	0	28,940
<u>Other</u>		
Other	0	30,000
Total Other Governments and Citizens Groups	<u>\$ 3,468,000</u>	<u>\$ 18,298,873</u>
Total	<u>\$ 3,468,000</u>	<u>\$ 356,995,297</u>

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

General FundGeneral GovernmentCounty Commission

Secretary(ies)	\$	49,149	
Board and Committee Members Fees		128,300	
Social Security		10,774	
Pensions		6,837	
Life Insurance		50	
Medical Insurance		6,997	
Employer Medicare		2,519	
Advertising		143	
Audit Services		95,486	
Legal Notices, Recording, and Court Costs		3,241	
Travel		6,903	
Tuition		2,025	
Other Contracted Services		11,935	
Office Supplies		364	
Other Supplies and Materials		648	
Total County Commission			\$ 325,371

Board of Equalization

Board and Committee Members Fees	\$	7,445	
Social Security		462	
Employer Medicare		108	
Total Board of Equalization			8,015

Beer Board

Board and Committee Members Fees	\$	2,325	
Social Security		142	
Employer Medicare		33	
Legal Notices, Recording, and Court Costs		906	
Total Beer Board			3,406

Other Boards and Committees

Board and Committee Members Fees	\$	2,550	
Social Security		158	
Employer Medicare		37	
Total Other Boards and Committees			2,745

County Mayor/Executive

County Official/Administrative Officer	\$	170,574	
Supervisor/Director		108,459	
Secretary(ies)		60,601	
Clerical Personnel		39,801	
Social Security		20,940	
Pensions		46,953	
Life Insurance		201	
Medical Insurance		34,446	
Employer Medicare		5,385	
Advertising		100	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)County Mayor/Executive (Cont.)

Communication	\$	1,987	
Dues and Memberships		554	
Maintenance and Repair Services - Vehicles		760	
Postal Charges		647	
Printing, Stationery, and Forms		571	
Rentals		5,770	
Travel		5,170	
Tuition		1,700	
Other Contracted Services		9,907	
Custodial Supplies		107	
Food Supplies		1,039	
Gasoline		2,298	
Library Books/Media		484	
Office Supplies		1,675	
Periodicals		729	
Other Supplies and Materials		1,610	
Other Charges		5,073	
Communication Equipment		1,600	
Data Processing Equipment		3,392	
Motor Vehicles		29,575	
Total County Mayor/Executive			\$ 562,108

Personnel Office

Supervisor/Director	\$	101,588	
Accountants/Bookkeepers		61,988	
Clerical Personnel		96,010	
Overtime Pay		172	
Other Salaries and Wages		30,840	
Social Security		16,938	
Pensions		37,775	
Life Insurance		255	
Medical Insurance		61,593	
Employer Medicare		3,961	
Communication		1,253	
Dues and Memberships		445	
Evaluation and Testing		10,524	
Postal Charges		710	
Printing, Stationery, and Forms		300	
Rentals		2,692	
Travel		1,448	
Tuition		1,549	
Other Contracted Services		163,136	
Data Processing Supplies		127	
Duplicating Supplies		174	
Office Supplies		1,166	
Furniture and Fixtures		17,078	
Total Personnel Office			611,722

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)County Attorney

Legal Services	\$ 480,777	
Total County Attorney		\$ 480,777

Election Commission

Supervisor/Director	\$ 98,747	
Clerical Personnel	192,081	
Temporary Personnel	537	
Overtime Pay	3,970	
Election Commission	9,770	
Election Workers	70,918	
Social Security	19,447	
Pensions	36,924	
Life Insurance	301	
Medical Insurance	60,573	
Employer Medicare	4,586	
Communication	569	
Legal Notices, Recording, and Court Costs	7,577	
Maintenance and Repair Services - Office Equipment	21,206	
Postal Charges	31,000	
Printing, Stationery, and Forms	1,981	
Rentals	5,478	
Travel	444	
Tuition	75	
Other Contracted Services	28,765	
Office Supplies	5,566	
Other Supplies and Materials	10,513	
Data Processing Equipment	1,809	
Furniture and Fixtures	1,407	
Total Election Commission		614,244

Register of Deeds

County Official/Administrative Officer	\$ 109,524	
Deputy(ies)	244,432	
Social Security	20,999	
Pensions	46,237	
Life Insurance	324	
Medical Insurance	62,575	
Employer Medicare	4,911	
Data Processing Services	50,497	
Dues and Memberships	998	
Postal Charges	301	
Rentals	2,355	
Travel	1,046	
Other Contracted Services	899	
Data Processing Supplies	1,212	
Duplicating Supplies	263	
Other Supplies and Materials	690	
Data Processing Equipment	26,428	
Total Register of Deeds		573,691

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)Planning

Contributions	\$ 460,147	
Total Planning		\$ 460,147

Building

Assistant(s)	\$ 54,206	
Supervisor/Director	101,230	
Other Salaries and Wages	92,302	
Social Security	14,572	
Pensions	33,026	
Life Insurance	167	
Medical Insurance	51,619	
Employer Medicare	3,408	
Communication	1,085	
Dues and Memberships	794	
Licenses	1,068	
Maintenance and Repair Services - Vehicles	81	
Postal Charges	9	
Printing, Stationery, and Forms	188	
Rentals	1,406	
Travel	2,328	
Tuition	875	
Other Contracted Services	56,934	
Gasoline	1,068	
Library Books/Media	250	
Office Supplies	289	
Other Supplies and Materials	861	
Communication Equipment	250	
Data Processing Equipment	1,283	
Furniture and Fixtures	681	
Total Building		419,980

Codes Compliance

Assistant(s)	\$ 398,358	
Supervisor/Director	97,838	
Clerical Personnel	103,092	
Social Security	34,687	
Pensions	78,204	
Life Insurance	589	
Medical Insurance	142,653	
Employer Medicare	8,112	
Communication	7,861	
Contracts with Private Agencies	800	
Dues and Memberships	1,982	
Legal Notices, Recording, and Court Costs	1,965	
Licenses	45	
Maintenance and Repair Services - Office Equipment	1,071	
Maintenance and Repair Services - Vehicles	6,130	

(Continued)



## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)Codes Compliance (Cont.)

Postal Charges	\$	696	
Rentals		7,224	
Tuition		2,988	
Permits		3,460	
Other Contracted Services		1,974	
Gasoline		10,034	
Library Books/Media		2,422	
Office Supplies		1,201	
Uniforms		1,796	
Other Supplies and Materials		1,287	
Motor Vehicles		48,803	
Total Codes Compliance			\$ 965,272

Geographical Information Systems

Contracts with Government Agencies	\$	208,966	
Other Capital Outlay		4,558	
Total Geographical Information Systems			213,524

County Buildings

Supervisor/Director	\$	40,900	
Maintenance Personnel		110,109	
Overtime Pay		9,542	
Social Security		9,460	
Pensions		16,505	
Life Insurance		207	
Medical Insurance		29,104	
Employer Medicare		2,211	
Communication		479	
Maintenance Agreements		22,802	
Maintenance and Repair Services - Buildings		7,022	
Maintenance and Repair Services - Equipment		8,754	
Maintenance and Repair Services - Vehicles		576	
Pest Control		620	
Rentals		12,120	
Other Contracted Services		5,328	
Custodial Supplies		11,331	
Data Processing Supplies		79	
Diesel Fuel		20	
Drugs and Medical Supplies		1,396	
Electricity		62,371	
Gasoline		840	
Natural Gas		1,546	
Office Supplies		320	
Propane Gas		980	
Tires and Tubes		41	
Water and Sewer		4,200	
Other Supplies and Materials		12,765	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

## General Fund (Cont.)

## General Government (Cont.)

## County Buildings (Cont.)

Furniture and Fixtures	\$	22,942	
Maintenance Equipment		1,350	
Total County Buildings			\$ 395,920

## Other Facilities

Assistant(s)	\$	36,204	
Supervisor/Director		147,381	
Secretary(ies)		53,225	
Custodial Personnel		357,071	
Maintenance Personnel		468,234	
Part-time Personnel		9,637	
Overtime Pay		8,748	
Social Security		62,384	
Pensions		132,728	
Life Insurance		1,382	
Medical Insurance		258,838	
Unemployment Compensation		149	
Employer Medicare		14,729	
Communication		11,902	
Maintenance Agreements		188,435	
Maintenance and Repair Services - Buildings		7,471	
Maintenance and Repair Services - Equipment		98,368	
Maintenance and Repair Services - Vehicles		36,360	
Pest Control		4,928	
Rentals		4,247	
Travel		66	
Tuition		195	
Disposal Fees		7,280	
Other Contracted Services		139,230	
Custodial Supplies		37,577	
Electricity		518,466	
Food Supplies		1,262	
Gasoline		12,146	
Natural Gas		74,091	
Office Supplies		754	
Propane Gas		3,064	
Small Tools		2,582	
Uniforms		4,928	
Water and Sewer		80,202	
Other Supplies and Materials		55,843	
Furniture and Fixtures		2,160	
Heating and Air Conditioning Equipment		2,135	
Other Equipment		10,039	
Other Capital Outlay		1,340	
Total Other Facilities			2,855,781

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)Other General Administration

Supervisor/Director	\$	70,889	
Clerical Personnel		42,711	
Social Security		6,778	
Pensions		12,585	
Life Insurance		88	
Medical Insurance		17,216	
Employer Medicare		1,585	
Communication		831	
Contracts with Other Public Agencies		771,701	
Legal Services		21,762	
Travel		1,443	
Other Contracted Services		331,360	
Other Supplies and Materials		7,027	
Communication Equipment		800	
Furniture and Fixtures		1,429	
Other Equipment		2,343	
Total Other General Administration			\$ 1,290,548

Preservation of Records

Supervisor/Director	\$	65,567	
Clerical Personnel		78,684	
Part-time Personnel		2,666	
Board and Committee Members Fees		75	
Social Security		8,526	
Pensions		13,477	
Life Insurance		163	
Medical Insurance		38,174	
Employer Medicare		1,994	
Data Processing Services		23,713	
Dues and Memberships		395	
Maintenance and Repair Services - Office Equipment		3,506	
Rentals		8,632	
Travel		287	
Tuition		1,263	
Other Contracted Services		2,049	
Duplicating Supplies		324	
Library Books/Media		8,449	
Office Supplies		11,820	
Other Supplies and Materials		20,022	
Data Processing Equipment		4,964	
Furniture and Fixtures		13,639	
Other Equipment		83,185	
Total Preservation of Records			391,574

FinanceAccounting and Budgeting

County Official/Administrative Officer	\$	109,359	
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(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Accountants/Bookkeepers	\$	331,307	
Clerical Personnel		40,628	
Part-time Personnel		10,754	
Educational Incentive - Other County Employees		1,421	
Social Security		28,687	
Pensions		65,349	
Life Insurance		382	
Medical Insurance		90,026	
Employer Medicare		6,709	
Communication		2,250	
Data Processing Services		9,582	
Dues and Memberships		709	
Postal Charges		5,310	
Rentals		830	
Travel		1,303	
Tuition		2,970	
Other Contracted Services		5,788	
Data Processing Supplies		2,022	
Food Supplies		9	
Library Books/Media		309	
Office Supplies		967	
Periodicals		57	
Other Supplies and Materials		613	
Other Charges		1,839	
Data Processing Equipment		856	
Furniture and Fixtures		300	
Total Accounting and Budgeting			\$ 720,336

Purchasing

County Official/Administrative Officer	\$	89,945
Purchasing Personnel		52,796
Clerical Personnel		36,647
Other Salaries and Wages		26,074
Social Security		12,274
Pensions		27,069
Life Insurance		190
Medical Insurance		28,837
Employer Medicare		2,871
Communication		600
Dues and Memberships		393
Maintenance and Repair Services - Equipment		1,572
Maintenance and Repair Services - Vehicles		1,420
Postal Charges		394
Rentals		12,833
Travel		662
Other Contracted Services		184
Custodial Supplies		11

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Finance (Cont.)Purchasing (Cont.)

Duplicating Supplies	\$	5,829	
Food Supplies		125	
Gasoline		1,286	
Office Supplies		1,922	
Periodicals		314	
Vehicle Parts		180	
Other Supplies and Materials		5,128	
Total Purchasing			\$ 309,556

Property Assessor's Office

County Official/Administrative Officer	\$	109,524	
Deputy(ies)		759,964	
Temporary Personnel		4,203	
Educational Incentive - Official/Admin Officer		1,000	
Overtime Pay		6,724	
Social Security		51,761	
Pensions		103,289	
Life Insurance		913	
Medical Insurance		156,661	
Employer Medicare		12,106	
Audit Services		55,535	
Communication		1,852	
Data Processing Services		111,325	
Dues and Memberships		4,381	
Operating Lease Payments		9,093	
Legal Notices, Recording, and Court Costs		185	
Maintenance and Repair Services - Vehicles		605	
Postal Charges		6,519	
Printing, Stationery, and Forms		6,252	
Rentals		404	
Travel		5,288	
Tuition		4,195	
Other Contracted Services		9,339	
Gasoline		1,667	
Library Books/Media		306	
Office Supplies		1,668	
Other Supplies and Materials		3,201	
Communication Equipment		299	
Data Processing Equipment		3,495	
Furniture and Fixtures		250	
Total Property Assessor's Office			1,432,004

County Trustee's Office

County Official/Administrative Officer	\$	109,524	
Supervisor/Director		68,384	
Deputy(ies)		210,798	
Accountants/Bookkeepers		55,134	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Finance (Cont.)County Trustee's Office (Cont.)

Part-time Personnel	\$	10,904	
Overtime Pay		1,005	
Board and Committee Members Fees		1,500	
Social Security		27,252	
Pensions		47,724	
Life Insurance		435	
Medical Insurance		74,547	
Employer Medicare		6,373	
Audit Services		29,400	
Bank Charges		21,926	
Communication		1,740	
Dues and Memberships		1,168	
Legal Notices, Recording, and Court Costs		2,051	
Postal Charges		37,855	
Printing, Stationery, and Forms		2,132	
Rentals		7,019	
Travel		2,791	
Tuition		2,610	
Other Contracted Services		13,894	
Food Supplies		41	
Office Supplies		2,988	
Periodicals		276	
Premiums on Corporate Surety Bonds		6,538	
Communication Equipment		450	
Furniture and Fixtures		1,125	
Other Capital Outlay		5,678	
Total County Trustee's Office			\$ 753,262

County Clerk's Office

County Official/Administrative Officer	\$	109,524
Supervisor/Director		80,901
Deputy(ies)		1,492,492
Part-time Personnel		32,159
Overtime Pay		8,345
Social Security		98,618
Pensions		211,141
Life Insurance		1,994
Medical Insurance		464,694
Employer Medicare		23,064
Communication		1,150
Maintenance and Repair Services - Equipment		20,974
Postal Charges		88,947
Rentals		8,020
Travel		1,708
Other Contracted Services		16,567
Data Processing Supplies		15,532
Office Supplies		16,547

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

## General Fund (Cont.)

## Finance (Cont.)

## County Clerk's Office (Cont.)

Other Supplies and Materials	\$	8,572	
Premiums on Corporate Surety Bonds		240	
Communication Equipment		851	
Data Processing Equipment		12,570	
Total County Clerk's Office			\$ 2,714,610

## Data Processing

Supervisor/Director	\$	109,359	
Computer Programmer(s)		418,820	
Data Processing Personnel		382,725	
Secretary(ies)		44,117	
Part-time Personnel		22,619	
Social Security		57,737	
Pensions		125,105	
Life Insurance		711	
Medical Insurance		162,816	
Employer Medicare		13,503	
Communication		109,695	
Data Processing Services		780,379	
Freight Expenses		28	
Licenses		76,458	
Maintenance and Repair Services - Vehicles		273	
Postal Charges		5	
Rentals		1,313	
Travel		3,444	
Tuition		5,188	
Other Contracted Services		28,907	
Custodial Supplies		21	
Data Processing Supplies		5,152	
Food Supplies		82	
Gasoline		1,334	
Office Supplies		179	
Other Supplies and Materials		7,664	
Communication Equipment		110,630	
Data Processing Equipment		292,037	
Other Equipment		171,151	
Total Data Processing			2,931,452

## Other Finance

Legal Notices, Recording, and Court Costs	\$	8,346	
Postal Charges		14,385	
Total Other Finance			22,731

## Administration of Justice

## Circuit Court

County Official/Administrative Officer	\$	109,524	
Assistant(s)		159,300	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Circuit Court (Cont.)

Supervisor/Director	\$	289,899	
Deputy(ies)		1,693,970	
Accountants/Bookkeepers		95,230	
Overtime Pay		4,488	
Jury and Witness Expense		42,999	
Social Security		135,712	
Pensions		277,346	
Life Insurance		2,920	
Medical Insurance		588,539	
Unemployment Compensation		951	
Employer Medicare		31,740	
Communication		2,243	
Data Processing Services		45,946	
Dues and Memberships		973	
Legal Notices, Recording, and Court Costs		1,335	
Maintenance and Repair Services - Office Equipment		339	
Postal Charges		21,501	
Printing, Stationery, and Forms		4,683	
Rentals		8,278	
Travel		405	
Other Contracted Services		600	
Custodial Supplies		311	
Data Processing Supplies		9,243	
Drugs and Medical Supplies		56	
Duplicating Supplies		3,594	
Food Supplies		709	
Library Books/Media		2,048	
Office Supplies		6,551	
Other Supplies and Materials		699	
Indirect Cost		7,000	
Premiums on Corporate Surety Bonds		118	
Data Processing Equipment		87,040	
Total Circuit Court			\$ 3,636,290

General Sessions Court

Judge(s)	\$	512,646	
Social Security		25,102	
Pensions		71,309	
Life Insurance		103	
Medical Insurance		43,876	
Employer Medicare		7,254	
Total General Sessions Court			660,290

Drug Court

Communication	\$	497	
Contributions		4,200	
Dues and Memberships		399	

(Continued)



## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Drug Court (Cont.)

Rentals	\$	774	
Travel		4,257	
Other Contracted Services		32,628	
Office Supplies		10,312	
Other Supplies and Materials		13,086	
Total Drug Court			\$ 66,153

Chancery Court

County Official/Administrative Officer	\$	109,524	
Deputy(ies)		385,258	
Social Security		28,756	
Pensions		64,202	
Life Insurance		447	
Medical Insurance		97,722	
Employer Medicare		6,725	
Dues and Memberships		1,123	
Legal Notices, Recording, and Court Costs		900	
Maintenance and Repair Services - Office Equipment		447	
Postal Charges		4,034	
Rentals		5,197	
Travel		140	
Other Contracted Services		771	
Data Processing Supplies		156	
Duplicating Supplies		1,435	
Library Books/Media		1,532	
Office Supplies		4,021	
Other Supplies and Materials		797	
Total Chancery Court			713,187

Juvenile Court

Judge(s)	\$	170,882	
Supervisor/Director		74,929	
Probation Officer(s)		131,327	
Youth Service Officer(s)		260,257	
Clerical Personnel		57,481	
Social Security		39,458	
Pensions		89,559	
Life Insurance		586	
Medical Insurance		100,476	
Employer Medicare		9,726	
Communication		6,398	
Dues and Memberships		3,006	
Operating Lease Payments		455	
Postal Charges		1,003	
Travel		4,511	
Tuition		2,176	
Other Contracted Services		335,029	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Juvenile Court (Cont.)

Library Books/Media	\$	4,563	
Office Supplies		3,709	
Other Supplies and Materials		2,341	
Total Juvenile Court			\$ 1,297,872

District Attorney General

Dues and Memberships	\$	445	
Legal Notices, Recording, and Court Costs		12	
Travel		31,503	
Other Contracted Services		6,890	
Custodial Supplies		1,380	
Duplicating Supplies		333	
Food Supplies		883	
Library Books/Media		552	
Office Supplies		1,147	
Other Supplies and Materials		771	
Furniture and Fixtures		710	
Total District Attorney General			44,626

Office of Public Defender

Communication	\$	206	
Travel		4,048	
Other Contracted Services		1,571	
Total Office of Public Defender			5,825

Judicial Commissioners

Part-time Personnel	\$	53,514	
Overtime Pay		13,542	
Other Salaries and Wages		136,797	
Social Security		12,486	
Pensions		20,593	
Life Insurance		155	
Medical Insurance		5,348	
Employer Medicare		2,920	
Communication		514	
Rentals		2,081	
Other Contracted Services		744	
Office Supplies		593	
Furniture and Fixtures		781	
Total Judicial Commissioners			250,068

Probate Court

Supervisor/Director	\$	54,607	
Probation Officer(s)		30,140	
Youth Service Officer(s)		64,725	
Clerical Personnel		29,381	
Social Security		10,862	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Probate Court (Cont.)

Pensions	\$	17,886	
Life Insurance		192	
Medical Insurance		6,997	
Employer Medicare		2,540	
Communication		5,621	
Contributions		60,303	
Operating Lease Payments		1,586	
Printing, Stationery, and Forms		142	
Travel		4,609	
Other Supplies and Materials		5,234	
Total Probate Court			\$ 294,825

Other Administration of Justice

Supervisor/Director	\$	69,713	
Social Security		4,219	
Pensions		9,697	
Life Insurance		50	
Medical Insurance		6,997	
Employer Medicare		987	
Communication		559	
Contracts with Private Agencies		372,276	
Dues and Memberships		680	
Postal Charges		167	
Travel		764	
Instructional Supplies and Materials		7,415	
Other Supplies and Materials		381	
Other Capital Outlay		269	
Total Other Administration of Justice			474,174

Probation Services

Assistant(s)	\$	28,874	
Supervisor/Director		84,193	
Probation Officer(s)		192,915	
Clerical Personnel		23,803	
Overtime Pay		14	
Other Salaries and Wages		251,883	
Social Security		34,244	
Pensions		68,436	
Life Insurance		644	
Medical Insurance		104,236	
Unemployment Compensation		58	
Employer Medicare		8,009	
Communication		497	
Dues and Memberships		798	
Evaluation and Testing		10,764	
Licenses		810	
Postal Charges		585	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Probation Services (Cont.)

Printing, Stationery, and Forms	\$	176	
Rentals		1,501	
Travel		1,503	
Tuition		250	
Other Contracted Services		8,624	
Duplicating Supplies		1,537	
Instructional Supplies and Materials		7,087	
Office Supplies		2,229	
Other Supplies and Materials		9,765	
Communication Equipment		725	
Total Probation Services			\$ 844,160

Public SafetySheriff's Department

County Official/Administrative Officer	\$	120,610
Assistant(s)		333,410
Supervisor/Director		171,010
Deputy(ies)		4,152,273
Investigator(s)		943,475
Captain(s)		254,704
Lieutenant(s)		344,603
Sergeant(s)		962,002
Clerical Personnel		284,132
Part-time Personnel		1,049
Overtime Pay		391,649
In-service Training		94,400
Social Security		471,603
Pensions		1,147,570
Life Insurance		7,640
Medical Insurance		1,671,666
Unemployment Compensation		259
Employer Medicare		110,307
Communication		112,098
Contracts with Government Agencies		2,680
Contracts with Private Agencies		29,376
Data Processing Services		5,560
Dues and Memberships		9,012
Evaluation and Testing		17,052
Licenses		627
Maintenance Agreements		29,177
Maintenance and Repair Services - Equipment		14,747
Maintenance and Repair Services - Vehicles		132,506
Postal Charges		5,463
Printing, Stationery, and Forms		6,486
Rentals		15,014
Towing Services		5,517
Transportation - Other than Students		9,862

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

Travel	\$ 47,952	
Tuition	105,510	
Veterinary Services	2,221	
Other Contracted Services	24,168	
Animal Food and Supplies	1,142	
Custodial Supplies	1,962	
Data Processing Supplies	5,090	
Drugs and Medical Supplies	1,212	
Duplicating Supplies	2,079	
Food Supplies	1,716	
Gasoline	211,620	
Law Enforcement Supplies	49,960	
Library Books/Media	385	
Office Supplies	5,555	
Tires and Tubes	50,799	
Uniforms	79,876	
Vehicle Parts	17,172	
Software	3,600	
Other Supplies and Materials	12,413	
Indirect Cost	72,286	
Premiums on Corporate Surety Bonds	80	
Workers' Compensation Insurance	9,411	
Communication Equipment	19,103	
Data Processing Equipment	62,309	
Law Enforcement Equipment	160,904	
Motor Vehicles	1,276,224	
Other Capital Outlay	93,250	
Total Sheriff's Department		\$ 14,175,538

Special Patrols

Deputy(ies)	\$ 1,711,839
Lieutenant(s)	72,666
Sergeant(s)	298,639
Social Security	122,379
Pensions	266,510
Life Insurance	2,001
Medical Insurance	410,840
Unemployment Compensation	2,475
Employer Medicare	28,620
Communication	1,230
Evaluation and Testing	7,470
Maintenance and Repair Services - Equipment	1,350
Maintenance and Repair Services - Vehicles	34,785
Travel	2,162
Tuition	8,045
Other Contracted Services	325
Gasoline	38,934

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Special Patrols (Cont.)

Law Enforcement Supplies	\$	10,556	
Tires and Tubes		8,130	
Uniforms		38,308	
Vehicle Parts		634	
Other Supplies and Materials		2,040	
Communication Equipment		5,679	
Law Enforcement Equipment		17,518	
Other Capital Outlay		3,575	
Total Special Patrols			\$ 3,096,710

Drug Enforcement

Communication	\$	12,111	
Confidential Drug Enforcement Payments		10,000	
Rentals		18,273	
Other Contracted Services		6,663	
Uniforms		2,100	
Motor Vehicles		61,105	
Total Drug Enforcement			110,252

Administration of the Sexual Offender Registry

Overtime Pay	\$	1,086	
Communication		656	
Travel		1,773	
Tuition		964	
Other Supplies and Materials		70	
Other Capital Outlay		900	
Total Administration of the Sexual Offender Registry			5,449

Jail

Assistant(s)	\$	99,304	
Supervisor/Director		89,564	
Deputy(ies)		4,997,922	
Captain(s)		81,417	
Lieutenant(s)		145,143	
Sergeant(s)		633,682	
Accountants/Bookkeepers		38,451	
Clerical Personnel		673,506	
Maintenance Personnel		180,193	
Overtime Pay		541,371	
Board and Committee Members Fees		1,575	
Social Security		438,334	
Pensions		788,599	
Life Insurance		8,173	
Medical Insurance		1,445,845	
Unemployment Compensation		11,569	
Employer Medicare		102,706	
Communication		13,086	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

Evaluation and Testing	\$	31,013	
Laundry Service		3,982	
Operating Lease Payments		450	
Licenses		1,843	
Maintenance Agreements		57,681	
Maintenance and Repair Services - Buildings		26,480	
Maintenance and Repair Services - Equipment		32,202	
Maintenance and Repair Services - Vehicles		2,354	
Medical and Dental Services		5,500,000	
Pest Control		2,400	
Printing, Stationery, and Forms		1,620	
Rentals		6,934	
Travel		5,957	
Tuition		2,174	
Disposal Fees		10,501	
Other Contracted Services		792,744	
Custodial Supplies		30,151	
Data Processing Supplies		1,287	
Duplicating Supplies		2,899	
Electricity		324,519	
Equipment and Machinery Parts		1,741	
Food Preparation Supplies		974	
Gasoline		14,139	
Law Enforcement Supplies		22,295	
Library Books/Media		79	
Natural Gas		42,727	
Office Supplies		1,490	
Prisoners Clothing		75,452	
Uniforms		26,988	
Water and Sewer		119,021	
Other Supplies and Materials		36,536	
Building and Contents Insurance		145,235	
Indirect Cost		7,000	
Liability Insurance		121,639	
Communication Equipment		11,484	
Data Processing Equipment		2,020	
Food Service Equipment		10,424	
Furniture and Fixtures		11,996	
Law Enforcement Equipment		5,052	
Other Equipment		37,716	
Total Jail			\$ 17,821,639

Workhouse

County Official/Administrative Officer	\$	7,500
Deputy(ies)		827,598
Sergeant(s)		63,242
Overtime Pay		53,411

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Workhouse (Cont.)

Social Security	\$	55,785	
Pensions		124,850	
Life Insurance		964	
Medical Insurance		133,487	
Employer Medicare		13,047	
Communication		4,340	
Laundry Service		1,936	
Maintenance Agreements		3,354	
Maintenance and Repair Services - Equipment		1,105	
Maintenance and Repair Services - Vehicles		1,419	
Medical and Dental Services		472,292	
Pest Control		456	
Rentals		2,193	
Other Contracted Services		75,367	
Custodial Supplies		7,416	
Diesel Fuel		2,260	
Electricity		23,988	
Equipment and Machinery Parts		303	
Gasoline		1,571	
Law Enforcement Supplies		2,478	
Natural Gas		4,256	
Prisoners Clothing		15,901	
Uniforms		2,448	
Water and Sewer		24,738	
Other Supplies and Materials		5,787	
Building and Contents Insurance		12,149	
Liability Insurance		9,216	
Furniture and Fixtures		2,432	
Law Enforcement Equipment		462	
Total Workhouse			\$ 1,957,751

Correctional Incentive Program Improvements

Supervisor/Director	\$	71,132	
Probation Officer(s)		244,821	
Secretary(ies)		16,667	
Social Security		19,532	
Pensions		39,695	
Life Insurance		426	
Medical Insurance		59,063	
Employer Medicare		4,568	
Communication		4,875	
Maintenance and Repair Services - Vehicles		1,403	
Postal Charges		141	
Printing, Stationery, and Forms		297	
Rentals		38,944	
Travel		6,141	
Other Contracted Services		12,299	

(Continued)



## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Correctional Incentive Program Improvements (Cont.)

Duplicating Supplies	\$	128	
Electricity		1,476	
Food Supplies		88	
Gasoline		1,626	
Other Supplies and Materials		5,944	
Liability Insurance		1,700	
Vehicle and Equipment Insurance		1,800	
Total Correctional Incentive Program Improvements			\$ 532,766

Juvenile Services

Supervisor/Director	\$	64,358	
Probation Officer(s)		43,199	
Medical Personnel		78,506	
Social Security		10,372	
Pensions		21,389	
Life Insurance		201	
Medical Insurance		53,576	
Employer Medicare		2,426	
Communication		870	
Data Processing Services		3,205	
Dues and Memberships		900	
Travel		2,332	
Tuition		190	
Other Contracted Services		2,065	
Food Supplies		149	
Office Supplies		161	
Other Supplies and Materials		9,134	
Total Juvenile Services			293,033

Fire Prevention and Control

Other Salaries and Wages	\$	54,044	
Board and Committee Members Fees		1,725	
Other Per Diem and Fees		224,060	
Social Security		17,038	
Pensions		7,517	
Life Insurance		50	
Medical Insurance		16,427	
Employer Medicare		3,985	
Communication		24,848	
Licenses		612	
Maintenance and Repair Services - Buildings		190	
Maintenance and Repair Services - Equipment		6,670	
Maintenance and Repair Services - Vehicles		25,194	
Postal Charges		332	
Travel		376	
Other Contracted Services		14,145	
Diesel Fuel		17,158	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

## General Fund (Cont.)

## Public Safety (Cont.)

## Fire Prevention and Control (Cont.)

Equipment and Machinery Parts	\$	1,883	
Food Supplies		525	
Gasoline		3,489	
Uniforms		10,635	
Utilities		31,230	
Chemicals		2,465	
Software		25,450	
Other Supplies and Materials		14,122	
Indirect Cost		20,048	
Liability Insurance		7,254	
Communication Equipment		2,516	
Other Equipment		79,552	
Total Fire Prevention and Control			\$ 613,540

## Civil Defense

Supervisor/Director	\$	82,588	
Secretary(ies)		57,704	
Other Salaries and Wages		148,606	
Social Security		17,149	
Pensions		38,386	
Life Insurance		234	
Medical Insurance		37,149	
Employer Medicare		4,010	
Communication		5,188	
Contracts with Private Agencies		4,206	
Rentals		79,764	
Travel		2,699	
Tuition		624	
Other Contracted Services		2,036	
Gasoline		4,310	
Uniforms		1,452	
Utilities		33,120	
Other Supplies and Materials		3,863	
Data Processing Equipment		1,228	
Furniture and Fixtures		3,065	
Motor Vehicles		95,281	
Other Equipment		6,289	
Total Civil Defense			628,951

## Other Emergency Management

Other Contracted Services	\$	67,954	
Other Supplies and Materials		91,094	
Communication Equipment		14,058	
Other Equipment		132,045	
Total Other Emergency Management			305,151

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)County Coroner/Medical Examiner

Medical and Dental Services	\$	402,400	
Other Contracted Services		24,450	
Total County Coroner/Medical Examiner			\$ 426,850

Public Health and WelfareLocal Health Center

Medical Personnel	\$	119,283	
Social Security		7,167	
Pensions		16,592	
Life Insurance		100	
Medical Insurance		17,482	
Employer Medicare		1,676	
Advertising		47,910	
Communication		10,925	
Dues and Memberships		200	
Laundry Service		327	
Rentals		2,519	
Travel		373	
Tuition		1,165	
Other Contracted Services		1,957	
Electricity		42,020	
Natural Gas		252	
Water and Sewer		394	
Other Supplies and Materials		3,079	
Premiums on Corporate Surety Bonds		69	
Total Local Health Center			273,490

Rabies and Animal Control

Supervisor/Director	\$	69,703	
Clerical Personnel		92,585	
Custodial Personnel		20,020	
Part-time Personnel		129,712	
Overtime Pay		32,177	
Other Salaries and Wages		358,114	
Board and Committee Members Fees		3,075	
Social Security		41,842	
Pensions		50,957	
Life Insurance		719	
Medical Insurance		116,685	
Unemployment Compensation		1,489	
Employer Medicare		9,786	
Communication		17,669	
Maintenance and Repair Services - Buildings		2,741	
Maintenance and Repair Services - Equipment		1,247	
Maintenance and Repair Services - Vehicles		9,545	
Printing, Stationery, and Forms		1,218	
Rentals		3,337	

(Continued)

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Travel	\$	10,058	
Tuition		5,480	
Veterinary Services		26,916	
Other Contracted Services		11,099	
Animal Food and Supplies		8,808	
Custodial Supplies		13,884	
Drugs and Medical Supplies		36,663	
Gasoline		18,102	
Office Supplies		1,467	
Uniforms		5,308	
Other Supplies and Materials		16,799	
Communication Equipment		3,050	
Motor Vehicles		96,816	
Other Capital Outlay		2,849	
Total Rabies and Animal Control			\$ 1,219,920

Ambulance/Emergency Medical Services

Assistant(s)	\$	170,314
Supervisor/Director		120,359
Captain(s)		237,820
Lieutenant(s)		661,529
Accountants/Bookkeepers		176,654
Medical Personnel		5,182,634
Part-time Personnel		53,616
Overtime Pay		260,562
Other Salaries and Wages		30,432
Board and Committee Members Fees		3,225
Social Security		403,240
Pensions		839,399
Life Insurance		5,897
Medical Insurance		1,305,993
Employer Medicare		94,522
Communication		38,766
Contracts with Private Agencies		302,246
Contributions		33,231
Data Processing Services		20,396
Debt Collection Services		45,159
Dues and Memberships		940
Janitorial Services		4,970
Laundry Service		3,709
Licenses		7,090
Maintenance and Repair Services - Buildings		8,227
Maintenance and Repair Services - Equipment		56,298
Maintenance and Repair Services - Vehicles		57,369
Medical and Dental Services		5,780
Pest Control		1,080
Postal Charges		1,180

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)Ambulance/Emergency Medical Services (Cont.)

Printing, Stationery, and Forms	\$	279	
Rentals		12,963	
Travel		2,198	
Tuition		44,185	
Disposal Fees		5,321	
Other Contracted Services		23,896	
Custodial Supplies		9,604	
Diesel Fuel		29,675	
Drugs and Medical Supplies		610,481	
Duplicating Supplies		467	
Electricity		73,269	
Food Supplies		832	
Gasoline		172,801	
Instructional Supplies and Materials		9,475	
Natural Gas		13,817	
Office Supplies		609	
Propane Gas		3,560	
Tires and Tubes		30,564	
Uniforms		42,102	
Vehicle Parts		13,451	
Water and Sewer		10,305	
Other Supplies and Materials		9,307	
Indirect Cost		3,398	
Other Charges		190,172	
Communication Equipment		14,407	
Furniture and Fixtures		17,275	
Heating and Air Conditioning Equipment		5,200	
Health Equipment		49,830	
Other Equipment		15,827	
Total Ambulance/Emergency Medical Services			\$ 11,547,907

Other Local Health Services

Social Workers	\$	417,629	
Medical Personnel		466,789	
Clerical Personnel		645,432	
Educational Assistants		31,103	
Social Security		89,909	
Pensions		180,786	
Life Insurance		2,174	
Medical Insurance		445,410	
Unemployment Compensation		2,310	
Employer Medicare		21,027	
Communication		6,341	
Janitorial Services		14,400	
Travel		8,667	
Electricity		10,505	
Natural Gas		63	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)Other Local Health Services (Cont.)

Water and Sewer	\$	99	
Other Supplies and Materials		125	
Liability Insurance		30,554	
Total Other Local Health Services			\$ 2,373,323

Appropriation to State

Contributions	\$	189,810	
Total Appropriation to State			189,810

Other Local Welfare Services

Pauper Burials	\$	8,500	
Total Other Local Welfare Services			8,500

Other Public Health and Welfare

Medical and Dental Services	\$	800	
Total Other Public Health and Welfare			800

Social, Cultural, and Recreational ServicesLibraries

Contributions	\$	2,072,484	
Total Libraries			2,072,484

Parks and Fair Boards

Assistant(s)	\$	60,601	
Supervisor/Director		72,231	
Clerical Personnel		24,989	
Maintenance Personnel		421,735	
Other Salaries and Wages		1,582	
Social Security		34,078	
Pensions		52,003	
Life Insurance		702	
Medical Insurance		140,016	
Unemployment Compensation		690	
Employer Medicare		7,970	
Communication		10,089	
Dues and Memberships		815	
Maintenance and Repair Services - Vehicles		5,264	
Postal Charges		4	
Rentals		2,287	
Travel		9,993	
Tuition		6,290	
Disposal Fees		4,280	
Other Contracted Services		38,747	
Custodial Supplies		8,991	
Electricity		56,684	
Fertilizer, Lime, and Seed		43,993	
Gasoline		22,310	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

## General Fund (Cont.)

## Social, Cultural, and Recreational Services (Cont.)

## Parks and Fair Boards (Cont.)

Office Supplies	\$	312	
Propane Gas		1,077	
Sand		9,963	
Uniforms		2,946	
Water and Sewer		38,485	
Gravel and Chert		5,535	
Top Soil		4,980	
Fencing		1,089	
Other Supplies and Materials		54,492	
Indirect Cost		1,083	
Furniture and Fixtures		18,643	
Maintenance Equipment		101,703	
Motor Vehicles		50,310	
Other Equipment		883	
Total Parks and Fair Boards			\$ 1,317,845

## Other Social, Cultural, and Recreational

Postal Charges	\$	26	
Gasoline		3,249	
Office Supplies		241	
Vehicle and Equipment Insurance		2,000	
Total Other Social, Cultural, and Recreational			5,516

## Agriculture and Natural Resources

## Agricultural Extension Service

Board and Committee Members Fees	\$	1,725	
Social Security		104	
Employer Medicare		24	
Contributions		274,935	
Maintenance and Repair Services - Vehicles		1,094	
Rentals		4,876	
Travel		4,444	
Other Contracted Services		18,000	
Gasoline		1,007	
Office Supplies		975	
Total Agricultural Extension Service			307,184

## Forest Service

Contributions	\$	2,000	
Total Forest Service			2,000

## Soil Conservation

Secretary(ies)	\$	34,124	
Social Security		1,864	
Pensions		2,528	
Life Insurance		50	
Medical Insurance		16,427	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Soil Conservation (Cont.)

Employer Medicare	\$	436	
Travel		190	
Other Contracted Services		1,549	
Other Supplies and Materials		199	
Total Soil Conservation			\$ 57,367

Storm Water Management

Other Contracted Services	\$	314,132	
Total Storm Water Management			314,132

Other OperationsTourism

Contracts with Government Agencies	\$	385,779	
Contracts with Other Public Agencies		1,157,338	
Total Tourism			1,543,117

Industrial Development

Contributions	\$	640,404	
Other Contracted Services		598,553	
Total Industrial Development			1,238,957

Airport

Contributions	\$	379,312	
Total Airport			379,312

Veterans' Services

Assistant(s)	\$	247,142	
Supervisor/Director		74,755	
Secretary(ies)		64,409	
Board and Committee Members Fees		900	
Social Security		23,257	
Pensions		43,564	
Life Insurance		431	
Medical Insurance		38,277	
Employer Medicare		5,439	
Communication		1,045	
Data Processing Services		1,025	
Dues and Memberships		245	
Licenses		22	
Postal Charges		1,470	
Printing, Stationery, and Forms		430	
Rentals		2,679	
Travel		4,591	
Other Contracted Services		5,540	
Food Supplies		229	
Library Books/Media		641	
Other Supplies and Materials		3,360	

(Continued)



## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

## General Fund (Cont.)

Other Operations (Cont.)Veterans' Services (Cont.)

Furniture and Fixtures	\$	63,446	
Motor Vehicles		19,900	
Total Veterans' Services			\$ 602,797

Other Charges

Contributions	\$	55,678	
Building and Contents Insurance		376,338	
Liability Insurance		26,151	
Trustee's Commission		1,173,234	
Workers' Compensation Insurance		654,440	
Other Charges		90,921	
Total Other Charges			2,376,762

Contributions to Other Agencies

Contracts with Other Public Agencies	\$	81,534	
Contributions		146,759	
Dues and Memberships		42,466	
Total Contributions to Other Agencies			270,759

Employee Benefits

Handling Charges and Administrative Costs	\$	58,436	
Medical Insurance		204,138	
Disability Insurance		213,620	
Other Fringe Benefits		22,049	
Total Employee Benefits			498,243

Miscellaneous

Other Contracted Services	\$	85,387	
Other Supplies and Materials		731	
Other Capital Outlay		1,696	
Total Miscellaneous			87,814

HighwaysLitter and Trash Collection

Deputy(ies)	\$	100,085	
Social Security		5,634	
Pensions		13,922	
Life Insurance		99	
Medical Insurance		29,801	
Employer Medicare		1,318	
Other Supplies and Materials		24,937	
Total Litter and Trash Collection			175,796

Total General Fund \$ 94,177,711

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
 Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Drug Control FundPublic SafetySheriff's Department

Contributions	\$	1,000	
Tuition		150	
Veterinary Services		3,092	
Animal Food and Supplies		3,660	
Law Enforcement Supplies		733	
Other Supplies and Materials		1,010	
Trustee's Commission		80	
Communication Equipment		4,459	
Other Capital Outlay		9,000	
Total Sheriff's Department			\$ 23,184

Total Drug Control Fund \$ 23,184

Constitutional Officers - Fees FundAdministration of JusticeChancery Court

Special Commissioner Fees/Special Master Fees	\$	15,795	
Total Chancery Court			\$ 15,795

Total Constitutional Officers - Fees Fund 15,795

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	120,477	
Assistant(s)		89,483	
Accountants/Bookkeepers		52,159	
Secretary(ies)		39,689	
Clerical Personnel		39,524	
Overtime Pay		1,239	
Board and Committee Members Fees		3,600	
Social Security		20,539	
Pensions		47,449	
Life Insurance		247	
Medical Insurance		61,894	
Employer Medicare		4,804	
Dues and Memberships		5,620	
Legal Services		4,200	
Rentals		3,730	
Other Contracted Services		4,268	
Drugs and Medical Supplies		2,129	
Office Supplies		708	
Other Supplies and Materials		2,471	
Total Administration			\$ 504,230

Highway and Bridge Maintenance

Foremen	\$	552,399	
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(Continued)

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Mechanic(s)	\$	133,080	
Equipment Operators - Heavy		573,448	
Equipment Operators - Light		188,463	
Truck Drivers		543,232	
Laborers		108,483	
Temporary Personnel		23,877	
Overtime Pay		42,296	
Social Security		125,631	
Pensions		263,625	
Life Insurance		2,418	
Medical Insurance		520,507	
Unemployment Compensation		3,300	
Employer Medicare		29,538	
Rentals		9,617	
Other Contracted Services		22,996	
Asphalt - Hot Mix		1,662,639	
Asphalt - Liquid		40,906	
Concrete		2,583	
Crushed Stone		74,241	
Fertilizer, Lime, and Seed		323	
Pipe - Metal		27,716	
Structural Steel		7,892	
Other Supplies and Materials		11,667	
Total Highway and Bridge Maintenance			\$ 4,970,877

Operation and Maintenance of Equipment

Foremen	\$	67,598
Mechanic(s)		230,254
Truck Drivers		31,536
Clerical Personnel		39,041
Overtime Pay		8,681
Social Security		21,454
Pensions		47,725
Life Insurance		401
Medical Insurance		107,152
Employer Medicare		5,017
Operating Lease Payments		1,490
Maintenance and Repair Services - Equipment		7,592
Maintenance and Repair Services - Vehicles		8,622
Other Contracted Services		3,487
Diesel Fuel		115,326
Equipment and Machinery Parts		169,447
Garage Supplies		70
Gasoline		65,446
Lubricants		18,910
Small Tools		9,523
Tires and Tubes		41,552

(Continued)

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Vehicle Parts	\$	76,746	
Other Supplies and Materials		20,462	
Total Operation and Maintenance of Equipment			\$ 1,097,532

Traffic Control

Foremen	\$	67,598	
Equipment Operators - Heavy		79,178	
Laborers		33,349	
Overtime Pay		2,999	
Social Security		10,768	
Pensions		25,472	
Life Insurance		207	
Medical Insurance		37,149	
Employer Medicare		2,518	
Other Contracted Services		18,371	
Electricity		21,781	
Road Signs		69,426	
Small Tools		430	
Other Supplies and Materials		41,617	
Total Traffic Control			410,863

Other Charges

Communication	\$	21,895	
Licenses		1,983	
Other Contracted Services		48	
Electricity		23,473	
Natural Gas		2,050	
Water and Sewer		2,641	
Building and Contents Insurance		200,000	
Indirect Cost		3,666	
Trustee's Commission		148,427	
Total Other Charges			404,183

Employee Benefits

Medical Insurance	\$	51,035	
Total Employee Benefits			51,035

Capital Outlay

Engineering Services	\$	118,319	
Bridge Construction		162,334	
Building Improvements		833	
Data Processing Equipment		395	
Furniture and Fixtures		668	
Heating and Air Conditioning Equipment		588	
Highway Construction		261	
Highway Equipment		385,125	
Motor Vehicles		103,969	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay (Cont.)

State Aid Projects	\$ 335,742	
Other Equipment	30,110	
Total Capital Outlay		\$ 1,138,344

Total Highway/Public Works Fund \$ 8,577,064

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 12,677,650	
Total General Government		\$ 12,677,650

Education

Principal on Bonds	\$ 17,182,350	
Principal on Capital Leases	6,241,140	
Principal on Other Loans	1,507,569	
Total Education		24,931,059

Interest on Debt

General Government

Interest on Bonds	\$ 4,671,875	
Interest on Notes	23,810	
Total General Government		4,695,685

Education

Interest on Bonds	\$ 6,260,070	
Interest on Notes	19,480	
Interest on Capital Leases	154,082	
Interest on Other Loans	303,000	
Total Education		6,736,632

Other Debt Service

General Government

Trustee's Commission	\$ 328,677	
Other Debt Service	2,409	
Total General Government		331,086

Education

Trustee's Commission	\$ 493,015	
Other Debt Service	22,988	
Total Education		516,003

Total General Debt Service Fund 49,888,115

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Capital Projects FundOther Debt ServiceGeneral Government

Underwriter's Discount	\$	14,805	
Other Debt Issuance Charges		29,642	
Other Debt Service		24,000	
Total General Government			\$ 68,447

Education

Underwriter's Discount	\$	67,445	
Other Debt Issuance Charges		135,034	
Total Education			202,479

Capital ProjectsGeneral Administration Projects

Architects	\$	20,377	
Other Contracted Services		123	
Trustee's Commission		336,103	
Building Construction		4,265,403	
Building Improvements		936,678	
Land		5,692,366	
Other Equipment		17,620	
Other Construction		42,600	
Other Capital Outlay		38,725	
Total General Administration Projects			11,349,995

Public Safety Projects

Consultants	\$	32,026	
Engineering Services		49,150	
Building Improvements		146,092	
Motor Vehicles		311,571	
Other Equipment		74,720	
Other Construction		3,316,112	
Total Public Safety Projects			3,929,671

Public Health and Welfare Projects

Building Construction	\$	1,305	
Building Improvements		20,968	
Land		100	
Motor Vehicles		205,758	
Health Equipment		832,027	
Other Capital Outlay		5,172	
Total Public Health and Welfare Projects			1,065,330

Social, Cultural, and Recreation Projects

Architects	\$	205,822	
Building Construction		1,970,819	
Building Improvements		2,125,473	
Furniture and Fixtures		17,500	
Land		2,316,000	

(Continued)

## Exhibit L-7

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Social, Cultural, and Recreation Projects (Cont.)

Building Purchases	\$ 310,000	
Other Construction	2,579,576	
Other Capital Outlay	<u>46,358</u>	
Total Social, Cultural, and Recreation Projects		\$ 9,571,548

Other General Government Projects

Contributions	\$ 467,785	
Airport Improvement	31,285	
Other Capital Outlay	<u>208,783</u>	
Total Other General Government Projects		707,853

Highway and Street Capital Projects

Other Contracted Services	\$ 20,800	
Highway Construction	25,659	
Right-of-Way	<u>2,056</u>	
Total Highway and Street Capital Projects		48,515

Education Capital Projects

Contributions	\$ 3,468,000	
Total Education Capital Projects		<u>3,468,000</u>

Total General Capital Projects Fund \$ 30,411,838

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Contributions	\$ 14,747,569	
Total Education Capital Projects		<u>\$ 14,747,569</u>

Total Education Capital Projects Fund 14,747,569

Total Governmental Funds - Primary Government \$ 197,841,276

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System  
For the Year Ended June 30, 2020

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 95,307,157	
Career Ladder Program	148,591	
Homebound Teachers	135,973	
Salary Supplements	302,431	
Educational Assistants	2,017,427	
Temporary Personnel	852	
Overtime Pay	600	
Other Salaries and Wages	25,229	
Certified Substitute Teachers	517,360	
Non-certified Substitute Teachers	863,123	
Social Security	5,858,011	
Pensions	8,991,008	
Life Insurance	78,238	
Medical Insurance	17,382,366	
Employer Medicare	1,373,306	
Retirement - Hybrid Stabilization	7,679	
Operating Lease Payments	3,000,000	
Maintenance and Repair Services - Equipment	12,600	
Travel	12,515	
Tuition	290,890	
Other Contracted Services	924,919	
Basic Skills Materials	40,238	
Instructional Supplies and Materials	1,971,737	
Textbooks - Electronic	1,316,942	
Textbooks - Bound	2,181,229	
Fee Waivers	269,054	
Regular Instruction Equipment	30,475	
Total Regular Instruction Program		\$ 143,059,950

Alternative Instruction Program

Teachers	\$ 793,222	
Career Ladder Program	1,000	
Educational Assistants	56,826	
Other Salaries and Wages	23,636	
Non-certified Substitute Teachers	113	
Social Security	50,398	
Pensions	75,452	
Life Insurance	667	
Medical Insurance	200,850	
Employer Medicare	11,787	
Rentals	954	
Instructional Supplies and Materials	2,981	
Total Alternative Instruction Program		1,217,886

Special Education Program

Teachers	\$ 16,289,115	
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(Continued)



Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Career Ladder Program	\$	34,599	
Homebound Teachers		260,934	
Educational Assistants		4,835,858	
Temporary Personnel		289,611	
Speech Pathologist		1,865,164	
Overtime Pay		357	
Certified Substitute Teachers		50,752	
Non-certified Substitute Teachers		122,104	
Social Security		1,386,213	
Pensions		2,179,353	
Life Insurance		22,095	
Medical Insurance		4,582,787	
Employer Medicare		324,711	
Travel		1,296	
Other Contracted Services		128,795	
Instructional Supplies and Materials		47,770	
Special Education Equipment		7,435	
Total Special Education Program			\$ 32,428,949

Career and Technical Education Program

Teachers	\$	4,139,174	
Career Ladder Program		5,000	
Salary Supplements		44,236	
Certified Substitute Teachers		7,572	
Non-certified Substitute Teachers		31,880	
Social Security		249,872	
Pensions		382,629	
Life Insurance		3,057	
Medical Insurance		753,974	
Employer Medicare		58,471	
Maintenance and Repair Services - Equipment		997	
Travel		105	
Instructional Supplies and Materials		154,296	
T&I Construction Materials		370,000	
Vocational Instruction Equipment		17,689	
Total Career and Technical Education Program			6,218,952

Support Services

Attendance

Supervisor/Director	\$	199,350	
Career Ladder Program		5,000	
Pupil Personnel		453,890	
Secretary(ies)		28,105	
Social Security		41,150	
Pensions		72,037	
Life Insurance		413	

(Continued)

Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Medical Insurance	\$	84,154	
Employer Medicare		9,624	
Dues and Memberships		157	
Travel		5,325	
Office Supplies		4,475	
Other Supplies and Materials		3,928	
In Service/Staff Development		3,046	
Total Attendance			\$ 910,654

Health Services

Medical Personnel	\$	1,328,506	
Temporary Personnel		76,392	
Overtime Pay		87	
Social Security		81,430	
Pensions		127,861	
Life Insurance		1,171	
Medical Insurance		314,140	
Employer Medicare		19,103	
Other Contracted Services		1,262	
Office Supplies		102	
Other Supplies and Materials		32,605	
Health Equipment		28,224	
Total Health Services			2,010,883

Other Student Support

Career Ladder Program	\$	6,833	
Guidance Personnel		5,129,971	
Psychological Personnel		162,277	
Social Workers		221,445	
Salary Supplements		1,619,847	
Clerical Personnel		499,899	
Educational Assistants		151,454	
Temporary Personnel		22,238	
Overtime Pay		37	
Other Salaries and Wages		387,738	
Social Security		485,514	
Pensions		757,773	
Life Insurance		5,292	
Medical Insurance		1,207,926	
Employer Medicare		113,751	
Evaluation and Testing		126,102	
Other Contracted Services		51,225	
Office Supplies		635	
Other Supplies and Materials		754	
In Service/Staff Development		22,700	
Other Charges		992	
Other Equipment		47,200	
Total Other Student Support			11,021,603

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Regular Instruction Program

Supervisor/Director	\$	1,605,528	
Career Ladder Program		28,416	
Librarians		2,700,084	
Instructional Computer Personnel		2,483,707	
Salary Supplements		480,052	
Secretary(ies)		122,387	
Clerical Personnel		41,164	
Educational Assistants		867,552	
Overtime Pay		48	
Other Salaries and Wages		1,729,986	
In-service Training		6,998	
Social Security		595,212	
Pensions		1,065,572	
Life Insurance		6,525	
Medical Insurance		1,606,524	
Employer Medicare		139,653	
Consultants		1,235	
Dues and Memberships		2,959	
Travel		13,220	
Other Contracted Services		209,484	
Gasoline		93	
Library Books/Media		379,244	
Office Supplies		12,029	
Periodicals		38,000	
Other Supplies and Materials		622,678	
In Service/Staff Development		507,776	
Other Charges		17,634	
Other Equipment		2,900	
Total Regular Instruction Program			\$ 15,286,660

Alternative Instruction Program

Clerical Personnel	\$	22,781	
Overtime Pay		36	
Social Security		1,404	
Pensions		3,063	
Life Insurance		30	
Employer Medicare		328	
Total Alternative Instruction Program			27,642

Special Education Program

Supervisor/Director	\$	109,216	
Career Ladder Program		4,000	
Psychological Personnel		869,279	
Secretary(ies)		31,685	
Clerical Personnel		45,937	
Other Salaries and Wages		981,673	

(Continued)

Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Social Security	\$	121,550	
Pensions		193,411	
Life Insurance		1,172	
Medical Insurance		291,678	
Employer Medicare		28,555	
Dues and Memberships		180	
Travel		13,577	
Other Contracted Services		128,106	
Office Supplies		3,589	
Other Supplies and Materials		52,811	
In Service/Staff Development		8,247	
Total Special Education Program			\$ 2,884,666

Career and Technical Education Program

Supervisor/Director	\$	110,102	
Secretary(ies)		19,178	
Social Security		7,926	
Pensions		13,555	
Life Insurance		60	
Medical Insurance		5,842	
Employer Medicare		1,854	
Office Supplies		27	
In Service/Staff Development		516	
Total Career and Technical Education Program			159,060

Technology

Supervisor/Director	\$	631,755	
Computer Programmer(s)		329,055	
Salary Supplements		5,640	
Secretary(ies)		41,995	
Temporary Personnel		20,330	
Overtime Pay		264	
Other Salaries and Wages		194,250	
Social Security		72,904	
Pensions		161,981	
Life Insurance		631	
Medical Insurance		131,999	
Employer Medicare		17,245	
Dues and Memberships		1,240	
Internet Connectivity		627,308	
Travel		24,633	
Other Contracted Services		1,014,840	
Data Processing Supplies		468,556	
Equipment and Machinery Parts		350,797	
Food Supplies		1,685	
Office Supplies		1,042	

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Technology (Cont.)

Cabling	\$	368,466	
Software		1,666,142	
In Service/Staff Development		3,448	
Administration Equipment		500	
Data Processing Equipment		429,820	
Other Equipment		15,607,653	
Total Technology			\$ 22,174,179

Adult Programs

Supervisor/Director	\$	102,618	
Career Ladder Program		1,000	
Guidance Personnel		26,883	
Other Salaries and Wages		119,632	
Social Security		15,239	
Pensions		20,544	
Life Insurance		125	
Medical Insurance		13,169	
Employer Medicare		3,564	
Total Adult Programs			302,774

Board of Education

Secretary to Board	\$	30,582	
Board and Committee Members Fees		43,850	
Social Security		3,680	
Pensions		3,991	
Life Insurance		16	
Medical Insurance		5,869	
Disability Insurance		599,650	
Unemployment Compensation		211,666	
Employer Medicare		1,051	
Other Fringe Benefits		649,982	
Audit Services		82,500	
Dues and Memberships		21,053	
Legal Services		118,587	
Other Contracted Services		10,250	
Liability Insurance		333,764	
Premiums on Corporate Surety Bonds		3,986	
Trustee's Commission		1,291,722	
Workers' Compensation Insurance		161,480	
Liability Claims		253,639	
Other Self-insured Claims		157,856	
In Service/Staff Development		13,339	
Criminal Investigation of Applicants - TBI		57,753	
Other Charges		183,844	
Total Board of Education			4,240,110

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	191,538	
Assistant(s)		123,657	
Career Ladder Program		1,000	
Education Media Personnel		113,611	
Secretary(ies)		91,436	
Clerical Personnel		171,643	
Temporary Personnel		3,041	
Overtime Pay		372	
Other Salaries and Wages		385,598	
Social Security		60,872	
Pensions		110,910	
Life Insurance		487	
Medical Insurance		158,405	
Employer Medicare		15,003	
Advertising		500	
Dues and Memberships		15,171	
Postal Charges		18,761	
Travel		1,319	
Other Contracted Services		69,541	
Duplicating Supplies		44,303	
Food Supplies		4,017	
Office Supplies		5,407	
Periodicals		590	
Other Supplies and Materials		4,461	
In Service/Staff Development		18,436	
Administration Equipment		1,478	
Other Equipment		9,199	
Total Director of Schools			\$ 1,620,756

Office of the Principal

Principals	\$	4,195,815	
Career Ladder Program		21,583	
Accountants/Bookkeepers		1,950,580	
Assistant Principals		5,812,032	
Clerical Personnel		2,749,816	
Overtime Pay		1,613	
Social Security		870,033	
Pensions		1,651,611	
Life Insurance		9,309	
Medical Insurance		2,855,588	
Employer Medicare		203,476	
Dues and Memberships		8,950	
Other Contracted Services		20,353	
In Service/Staff Development		38,375	
Administration Equipment		11,942	
Total Office of the Principal			20,401,076

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Fiscal Services

Supervisor/Director	\$	532,674	
Accountants/Bookkeepers		1,057,660	
Overtime Pay		1,971	
Other Salaries and Wages		291,372	
Social Security		110,525	
Pensions		233,479	
Life Insurance		998	
Medical Insurance		332,944	
Employer Medicare		25,849	
Bank Charges		9,484	
Dues and Memberships		1,555	
Travel		1,161	
Other Contracted Services		54,500	
Food Supplies		72	
Office Supplies		13,238	
In Service/Staff Development		8,889	
Administration Equipment		4,692	
Other Equipment		474	
Total Fiscal Services			\$ 2,681,537

Human Services/Personnel

Supervisor/Director	\$	554,256	
Secretary(ies)		750,647	
Overtime Pay		3,359	
Other Salaries and Wages		45,497	
Other Per Diem and Fees		553,022	
Social Security		112,713	
Pensions		217,293	
Life Insurance		725	
Medical Insurance		240,144	
Employer Medicare		26,599	
Advertising		2,527	
Dues and Memberships		1,868	
Travel		7,684	
Other Contracted Services		47,385	
Food Supplies		609	
Office Supplies		5,225	
Other Supplies and Materials		39,952	
In Service/Staff Development		19,349	
Administration Equipment		785	
Other Equipment		129,359	
Total Human Services/Personnel			2,758,998

Operation of Plant

Supervisor/Director	\$	363,405	
Salary Supplements		35,000	

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Foremen	\$	87,847	
Secretary(ies)		36,058	
Custodial Personnel		5,293,719	
Temporary Personnel		12,785	
Overtime Pay		33,364	
Other Salaries and Wages		267,492	
Social Security		355,214	
Pensions		707,515	
Life Insurance		6,206	
Medical Insurance		1,688,594	
Employer Medicare		83,060	
Evaluation and Testing		12,376	
Laundry Service		48,550	
Licenses		2,921	
Disposal Fees		79,112	
Other Contracted Services		578,327	
Custodial Supplies		379,291	
Electricity		5,316,023	
Fertilizer, Lime, and Seed		70,000	
Food Supplies		457	
Fuel Oil		6,217	
Gasoline		8,911	
Natural Gas		249,275	
Office Supplies		2,685	
Water and Sewer		723,691	
Gravel and Chert		14,032	
Other Supplies and Materials		2,440	
Building and Contents Insurance		474,094	
In Service/Staff Development		151	
Furniture and Fixtures		534,465	
Plant Operation Equipment		34,845	
Other Equipment		24,486	
Total Operation of Plant			\$ 17,532,608

Maintenance of Plant

Supervisor/Director	\$	89,185
Foremen		77,992
Secretary(ies)		86,632
Maintenance Personnel		2,696,563
Temporary Personnel		4,000
Overtime Pay		180
Social Security		171,873
Pensions		364,400
Life Insurance		2,059
Medical Insurance		720,867
Employer Medicare		40,196

(Continued)



## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Maintenance of Plant (Cont.)

Communication	\$	547,762	
Dues and Memberships		135	
Laundry Service		12,307	
Maintenance and Repair Services - Buildings		59,824	
Maintenance and Repair Services - Equipment		210,441	
Maintenance and Repair Services - Vehicles		9,118	
Rentals		1,644	
Other Contracted Services		564,386	
Food Supplies		230	
Gasoline		128,043	
Office Supplies		2,673	
Tires and Tubes		148	
Vehicle Parts		1,981	
Chemicals		38,851	
Other Supplies and Materials		834,200	
Vehicle and Equipment Insurance		59,083	
In Service/Staff Development		7,180	
Communication Equipment		2,300	
Maintenance Equipment		271,191	
Total Maintenance of Plant			\$ 7,005,444

Operation of Non-Instructional ServicesEarly Childhood Education

Teachers	\$	1,009,423	
Educational Assistants		385,138	
Temporary Personnel		11,942	
Other Salaries and Wages		190,827	
Certified Substitute Teachers		1,279	
Non-certified Substitute Teachers		8,140	
Social Security		93,621	
Pensions		162,322	
Life Insurance		1,597	
Medical Insurance		384,940	
Employer Medicare		21,911	
Travel		515	
Other Contracted Services		345	
Instructional Supplies and Materials		17,944	
In Service/Staff Development		4,656	
Regular Instruction Equipment		11,336	
Total Early Childhood Education			2,305,936

Other Debt ServiceEducation

Debt Service Contribution to Primary Government	\$	6,926,678	
Total Education			6,926,678

Total General Purpose School Fund \$ 303,177,001

(Continued)

Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,565,164	
Salary Supplements		535,566	
Educational Assistants		650,533	
Overtime Pay		47	
Other Salaries and Wages		90,664	
Certified Substitute Teachers		48,780	
Non-certified Substitute Teachers		140,598	
Social Security		179,080	
Pensions		267,643	
Life Insurance		2,232	
Medical Insurance		480,397	
Employer Medicare		42,225	
Other Contracted Services		4,882	
Instructional Supplies and Materials		273,794	
Textbooks - Bound		2,204	
Software		19,977	
Regular Instruction Equipment		44,064	
Total Regular Instruction Program			\$ 4,347,850

Special Education Program

Teachers	\$	253,378	
Educational Assistants		1,483,302	
Speech Pathologist		64,785	
Overtime Pay		185	
Certified Substitute Teachers		732	
Non-certified Substitute Teachers		1,444	
Social Security		101,650	
Pensions		182,795	
Life Insurance		2,763	
Medical Insurance		494,591	
Employer Medicare		23,781	
Contracts with Private Agencies		95,796	
Other Contracted Services		22,057	
Instructional Supplies and Materials		33,936	
Other Supplies and Materials		20,602	
Other Charges		2,469	
Special Education Equipment		10,783	
Total Special Education Program			2,795,049

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	347	
Instructional Supplies and Materials		17,476	
Other Supplies and Materials		15,216	
Other Charges		2,000	
Vocational Instruction Equipment		270,253	
Total Career and Technical Education Program			305,292

(Continued)

Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Health Services

Supervisor/Director	\$	51,468	
Other Salaries and Wages		2,191	
Social Security		3,047	
Pensions		7,423	
Life Insurance		30	
Medical Insurance		14,912	
Employer Medicare		713	
Travel		170	
Other Supplies and Materials		771	
In Service/Staff Development		3,847	
Other Charges		50	
Health Equipment		64,465	
Total Health Services			\$ 149,087

Other Student Support

Guidance Personnel	\$	112,172	
Social Workers		47,006	
Clerical Personnel		18,261	
Other Salaries and Wages		153,975	
Social Security		19,408	
Pensions		32,143	
Life Insurance		227	
Medical Insurance		61,108	
Employer Medicare		4,539	
Communication		1,394	
Contributions		85,293	
Travel		6,485	
Other Contracted Services		111,937	
Other Supplies and Materials		31,457	
In Service/Staff Development		35,359	
Other Charges		16,932	
Total Other Student Support			737,696

Regular Instruction Program

Supervisor/Director	\$	249,187	
Salary Supplements		63,360	
Secretary(ies)		19,752	
Temporary Personnel		1,982	
Other Salaries and Wages		3,116,276	
Social Security		206,408	
Pensions		357,063	
Life Insurance		2,100	
Medical Insurance		543,984	
Employer Medicare		48,299	
Communication		1,747	
Consultants		20,228	

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Contributions	\$	279,495	
Travel		360	
Other Contracted Services		257,122	
Library Books/Media		4,896	
Other Supplies and Materials		62,817	
In Service/Staff Development		103,814	
Other Charges		280	
Other Equipment		76,939	
Total Regular Instruction Program			\$ 5,416,109

Special Education Program

Psychological Personnel	\$	547,719	
Medical Personnel		98,347	
Secretary(ies)		50,690	
Other Salaries and Wages		517,909	
Social Security		71,623	
Pensions		121,330	
Life Insurance		691	
Medical Insurance		209,959	
Employer Medicare		16,751	
Travel		868	
Other Supplies and Materials		12,282	
In Service/Staff Development		15,160	
Other Charges		672	
Total Special Education Program			1,664,001

Career and Technical Education Program

Travel	\$	20,306	
In Service/Staff Development		10,573	
Total Career and Technical Education Program			30,879

Maintenance of Plant

Other Contracted Services	\$	155,268	
Other Equipment		209,884	
Total Maintenance of Plant			365,152

Transportation

Bus Drivers	\$	36,469	
Social Security		2,216	
Pensions		4,080	
Employer Medicare		518	
Other Contracted Services		3,465	
Other Charges		1,003	
Total Transportation			47,751

Total School Federal Projects Fund \$ 15,858,866

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	261,578	
Truck Drivers		106,286	
Secretary(ies)		162,363	
Cafeteria Personnel		4,112,385	
Custodial Personnel		228,981	
Overtime Pay		28,880	
Other Salaries and Wages		568,714	
Social Security		314,511	
Pensions		661,502	
Life Insurance		7,228	
Medical Insurance		1,466,291	
Employer Medicare		73,684	
Bank Charges		226	
Communication		6,971	
Dues and Memberships		11,695	
Laundry Service		53,786	
Licenses		3,040	
Maintenance and Repair Services - Vehicles		20	
Travel		10,283	
Other Contracted Services		770,855	
Equipment and Machinery Parts		70,588	
Food Supplies		6,085,604	
Gasoline		10,929	
Office Supplies		23,028	
Uniforms		3,215	
Utilities		349,667	
Vehicle Parts		99	
USDA - Commodities		1,251,907	
Software		31,865	
Other Supplies and Materials		532,609	
Workers' Compensation Insurance		3,655	
In Service/Staff Development		13,875	
Other Charges		362	
Administration Equipment		5,486	
Food Service Equipment		237,672	
Total Food Service			\$ 17,469,840

Total Central Cafeteria Fund \$ 17,469,840

School Transportation FundSupport ServicesBoard of Education

Trustee's Commission	\$	51,399	
Total Board of Education			\$ 51,399

(Continued)

## Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

School Transportation Fund (Cont.)Support Services (Cont.)Transportation

Supervisor/Director	\$	235,402	
Salary Supplements		71,137	
Mechanic(s)		754,961	
Bus Drivers		5,208,677	
Dispatchers/Radio Operators		142,501	
Secretary(ies)		194,716	
Temporary Personnel		100,515	
Overtime Pay		112,058	
Other Salaries and Wages		1,322,232	
Social Security		464,761	
Pensions		955,456	
Life Insurance		10,870	
Medical Insurance		2,055,858	
Employer Medicare		109,593	
Communication		107,799	
Dues and Memberships		1,885	
Laundry Service		5,858	
Licenses		3,293	
Maintenance and Repair Services - Equipment		24,819	
Maintenance and Repair Services - Vehicles		3,201	
Medical and Dental Services		43,753	
Transportation - Other than Students		195,300	
Other Contracted Services		26,671	
Food Supplies		810	
Fuel Oil		115,690	
Garage Supplies		9,206	
Gasoline		463,788	
Lubricants		18,955	
Office Supplies		9,935	
Tires and Tubes		93,548	
Vehicle Parts		387,936	
Other Supplies and Materials		20,379	
Vehicle and Equipment Insurance		109,727	
In Service/Staff Development		9,139	
Communication Equipment		6,491	
Transportation Equipment		3,326,143	
Total Transportation			\$ 16,723,063

Total School Transportation Fund

\$ 16,774,462

Education Capital Projects FundCapital ProjectsEducation Capital Projects

Architects	\$	446,004
Engineering Services		2,371
Building Construction		1,036,234

(Continued)

Exhibit L-8

Montgomery County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Clarksville-Montgomery County School System (Cont.)

Education Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Education Capital Projects (Cont.)

Building Improvements	\$ 2,355,971	
Plant Operation Equipment	19,031	
Site Development	659,206	
Other Capital Outlay	<u>12,896</u>	
Total Education Capital Projects		<u>\$ 4,531,713</u>

Total Education Capital Projects Fund	<u>\$ 4,531,713</u>
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Total Governmental Funds - Clarksville-Montgomery County School System	<u><u>\$ 357,811,882</u></u>
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Montgomery County, Tennessee  
Schedule of Detailed Revenues and Expenses  
All Proprietary Funds  
For the Year Ended June 30, 2020

	Internal Service Funds			
	Self-Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>Revenues</u>				
<u>Operating Revenues</u>				
<u>Charges for Current Services</u>				
Self-Insurance Premiums/Contributions	\$ 59,654,891	\$ 654,440	\$ 179,302	\$ 60,488,633
Other Employee Benefit Charges	3,620,414	0	0	3,620,414
Other Charges for Services	84,109	0	0	84,109
Retirees' Insurance Payments	1,940,164	0	0	1,940,164
Total Operating Revenues	<u>\$ 65,299,578</u>	<u>\$ 654,440</u>	<u>\$ 179,302</u>	<u>\$ 66,133,320</u>
<u>Nonoperating Revenues</u>				
Investment Income	\$ 101,212	\$ 0	\$ 0	\$ 101,212
Miscellaneous Refunds	3,865,056	630	0	3,865,686
Insurance Recovery	0	7,539	0	7,539
Total Nonoperating Revenues	<u>\$ 3,966,268</u>	<u>\$ 8,169</u>	<u>\$ 0</u>	<u>\$ 3,974,437</u>
Total Revenues	<u>\$ 69,265,846</u>	<u>\$ 662,609</u>	<u>\$ 179,302</u>	<u>\$ 70,107,757</u>
<u>Expenses</u>				
<u>Operating Expenses</u>				
<u>Other Facilities</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 149	\$ 149
Total Other Facilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 149</u>	<u>\$ 149</u>
<u>Risk Management</u>				
Supervisor/Director	\$ 0	\$ 67,298	\$ 0	\$ 67,298
Clerical Personnel	0	51,790	0	51,790
Social Security	0	6,596	0	6,596
Pensions	0	16,565	0	16,565
Life Insurance	0	125	0	125
Medical Insurance	0	39,717	0	39,717
Employer Medicare	0	1,543	0	1,543
Communication	0	515	0	515
Contracts with Private Agencies	0	104,528	0	104,528
Dues and Memberships	0	480	0	480
Medical and Dental Services	0	411,831	0	411,831
Postal Charges	0	124	0	124
Printing, Stationery, and Forms	0	96	0	96
Travel	0	679	0	679
Tuition	0	149	0	149
Other Contracted Services	0	2,324	0	2,324
Data Processing Supplies	0	258	0	258
Drug and Medical Supplies	0	1,752	0	1,752
Office Supplies	0	150	0	150
Other Supplies and Materials	0	2,289	0	2,289
Furniture and Fixtures	0	6,898	0	6,898
Total Risk Management	<u>\$ 0</u>	<u>\$ 715,707</u>	<u>\$ 0</u>	<u>\$ 715,707</u>

(Continued)



Montgomery County, Tennessee  
Schedule of Detailed Revenues and Expenses  
All Proprietary Funds (Cont.)

	Internal Service Funds			
	Self- Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>Expenses (Cont.)</u>				
<u>Data Processing</u>				
Drugs and Medical Supplies	\$ 0	\$ 55	\$ 0	\$ 55
Total Data Processing	\$ 0	\$ 55	\$ 0	\$ 55
<u>Circuit Court</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 951	\$ 951
Total Circuit Court	\$ 0	\$ 0	\$ 951	\$ 951
<u>Probation Services</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 58	\$ 58
Total Probation Services	\$ 0	\$ 0	\$ 58	\$ 58
<u>Sheriff's Department</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 259	\$ 259
Drugs and Medical Supplies	0	5,619	0	5,619
Total Sheriff's Department	\$ 0	\$ 5,619	\$ 259	\$ 5,878
<u>Special Patrols</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 2,475	\$ 2,475
Total Special Patrols	\$ 0	\$ 0	\$ 2,475	\$ 2,475
<u>Jail</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 11,569	\$ 11,569
Medical and Dental Services	0	11,643	0	11,643
Drugs and Medical Supplies	0	377	0	377
Total Jail	\$ 0	\$ 12,020	\$ 11,569	\$ 23,589
<u>Rabies and Animal Control</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 1,489	\$ 1,489
Drugs and Medical Supplies	0	181	0	181
Total Rabies and Animal Control	\$ 0	\$ 181	\$ 1,489	\$ 1,670
<u>Ambulance/Emergency Medical Services</u>				
Drugs and Medical Supplies	\$ 0	\$ 7,829	\$ 0	\$ 7,829
Total Ambulance/Emergency Medical Services	\$ 0	\$ 7,829	\$ 0	\$ 7,829
<u>Other Local Health Services</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 2,310	\$ 2,310
Total Other Local Health Services	\$ 0	\$ 0	\$ 2,310	\$ 2,310
<u>Convenience Centers</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 4,679	\$ 4,679
Total Convenience Centers	\$ 0	\$ 0	\$ 4,679	\$ 4,679
<u>Landfill Operation and Maintenance</u>				
Drugs and Medical Supplies	\$ 0	\$ 171	\$ 0	\$ 171
Total Landfill Operation and Maintenance	\$ 0	\$ 171	\$ 0	\$ 171

(Continued)

Exhibit L-9

Montgomery County, Tennessee  
Schedule of Detailed Revenues and Expenses  
All Proprietary Funds (Cont.)

	Internal Service Funds			
	Self- Insurance	Workers' Compensation	Unemployment Compensation	Total
<u>Libraries</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 22	\$ 22
Total Libraries	\$ 0	\$ 0	\$ 22	\$ 22
<u>Parks and Fair Boards</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 690	\$ 690
Total Parks and Fair Boards	\$ 0	\$ 0	\$ 690	\$ 690
<u>Other Charges</u>				
Medical Personnel	\$ 918,598	\$ 0	\$ 0	\$ 918,598
Clerical Personnel	207,546	0	0	207,546
Overtime Pay	161	0	0	161
Other Salaries and Wages	18,396	0	0	18,396
Social Security	67,723	0	0	67,723
Pensions	88,694	0	0	88,694
Life Insurance	552	0	0	552
Medical Insurance	168,598	0	0	168,598
Employer Medicare	15,838	0	0	15,838
Retirement - Hybrid Stabilization	13,685	0	0	13,685
Architects	30,410	0	0	30,410
Dues and Memberships	324	0	0	324
Travel	162	0	0	162
Other Contracted Services	262,434	0	0	262,434
Other Supplies and Materials	159,728	0	0	159,728
Liability Insurance	24,486	0	0	24,486
Depreciation	991	0	0	991
In-Service/Staff Development	3,979	0	0	3,979
Other Charges	11,843	0	0	11,843
Data Processing Equipment	9,988	0	0	9,988
Health Equipment	2,720	0	0	2,720
Total Other Charges	\$ 2,006,856	\$ 0	\$ 0	\$ 2,006,856
<u>Employee Benefits</u>				
Life Insurance	\$ 231,269	\$ 0	\$ 0	\$ 231,269
Contracts with Private Agencies	3,077,905	0	0	3,077,905
Medical and Dental Services	2,598,666	0	0	2,598,666
Unemployment Compensation	0	0	345	345
Other Contracted Services	800,443	0	0	800,443
Drugs and Medical Supplies	143,460	0	0	143,460
Other Supplies and Materials	40,414	0	0	40,414
Medical Claims	59,188,365	0	0	59,188,365
Other Charges	189,646	0	0	189,646
Total Employee Benefits	\$ 66,270,168	\$ 0	\$ 345	\$ 66,270,513
<u>Highway and Bridge Maintenance</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 3,300	\$ 3,300
Medical and Dental Services	0	19	0	19
Total Highway and Bridge Maintenance	\$ 0	\$ 19	\$ 3,300	\$ 3,319
<u>Other</u>				
Unemployment Compensation	\$ 0	\$ 0	\$ 151,006	\$ 151,006
Total Other	\$ 0	\$ 0	\$ 151,006	\$ 151,006
Total Expenses	\$ 68,277,024	\$ 741,601	\$ 179,302	\$ 69,197,927

Exhibit L-10

Montgomery County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Fund  
For the Year Ended June 30, 2020

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 19,934,785
Total Cash Receipts	<u>\$ 19,934,785</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 19,735,437
Trustee's Commission	<u>199,348</u>
Total Cash Disbursements	<u>\$ 19,934,785</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<u>0</u>
Cash Balance, June 30, 2020	<u><u>\$ 0</u></u>

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## SINGLE AUDIT SECTION

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JASON E. MUMPOWER  
*Comptroller*

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Independent Auditor's Report

Montgomery County Mayor and  
Board of County Commissioners  
Montgomery County, Tennessee

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Montgomery County, Tennessee as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Montgomery County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated January 20, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Montgomery County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Montgomery County's internal control. Accordingly, we do not express an opinion on the effectiveness of Montgomery County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Montgomery County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001.

## **Montgomery County's Response to the Finding**

Montgomery County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Montgomery County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Montgomery County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

January 20, 2021

JEM/tg



JASON E. MUMPOWER  
*Comptroller*

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

Montgomery County Mayor and  
Board of County Commissioners  
Montgomery County, Tennessee

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Montgomery County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Montgomery County's major federal programs for the year ended June 30, 2020. Montgomery County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Montgomery County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Montgomery County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Montgomery County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Montgomery County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

Management of Montgomery County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Montgomery County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Montgomery County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the



requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Montgomery County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Montgomery County's basic financial statements. We issued our report thereon dated January 20, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

January 20, 2021

JEM/tg

Montgomery County, Tennessee, and the Clarksville-Montgomery County School System  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8)  
For the Year Ended June 30, 2020

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Program:			
Healthier U.S. School Challenge: Smarter Lunchrooms	10.543	N/A	\$ 21,500
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	1,115,770 (6)
COVID 19 - National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	136,137 (6)
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	2,705,504 (6)
COVID 19 - School Breakfast Program	10.553	(4)	773,685 (6)
National School Lunch Program	10.555	(4)	6,517,738 (6)
COVID 19 - National School Lunch Program	10.555	(4)	1,233,326 (6)
Child Nutrition Discretionary Grants Limited Availability	10.579	(4)	23,060
Total U.S. Department of Agriculture			<u>\$ 12,526,720</u>
U.S. Department of Defense:			
Direct Programs:			
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556	N/A	\$ 206,117
Army Youth Programs in Your Neighborhood	12.U01	N/A	817,794
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U02	(4)	5,061 (7)
Total U.S. Department of Defense			<u>\$ 1,028,972</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Housing and Urban Development:			
Home Investment Partnerships Program	14.239	(4)	\$ 42,600
Total U.S. Department of Housing and Urban Development			<u>\$ 42,600</u>
U.S. Department of Justice:			
Direct Program:			
State Criminal Alien Assistance Program	16.606	N/A	\$ 85,768
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention	16.540	(4)	11,000
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(4)	42,810
Passed-through the City of Clarksville:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(4)	26,260
Total U.S. Department of Justice			<u>\$ 165,838</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce:			
COVID 19 - Unemployment Insurance	17.225	(4)	\$ 76,600
Total U.S. Department of Labor			<u>\$ 76,600</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (5)			
Highway Planning and Construction	20.205	(4)	\$ 22,112
Passed-through State Department of Safety and Homeland Security:			
Highway Safety Cluster: (5)			
State and Community Highway Safety	20.600	(4)	32,223
Total U.S. Department of Transportation			<u>\$ 54,335</u>

(Continued)

Montgomery County, Tennessee, and the Clarksville-Montgomery County School System  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Environmental Protection Agency:			
Passed-through East Tennessee Clean Fuels Coalition:			
Diesel Emissions Reduction Act (DERA) State Grants	66.040	(4)	\$ 105,000
Total U.S. Environmental Protection Agency			<u>\$ 105,000</u>
U.S. Department of Education:			
Direct Program:			
Impact Aid	84.041	N/A	\$ 1,592,746
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	7,102,359
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	(4)	7,027,820
Special Education - Preschool Grants	84.173	(4)	82,648
Career and Technical Education - Basic Grants to States	84.048	(4)	609,849
Education for Homeless Children and Youth	84.196	(4)	87,396
English Language Acquisition State Grants	84.365	(4)	107,295
Supporting Effective Instruction State Grants	84.367	(4)	999,654
Student Support and Academic Enrichment Program	84.424	(4)	605,846
Total U.S. Department of Education			<u>\$ 18,215,613</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Department of State:			
2020 HAVA Election Security Grants	90.404	(4)	\$ 1,722 (6)
COVID 19 - 2020 HAVA Election Security Grants	90.404	(4)	2,060 (6)
Total U.S. Election Assistance Commission			<u>\$ 3,782</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(4)	\$ 74,350
Homeland Security Grant Program	97.067	(4)	217,002
Total U.S. Department of Homeland Security			<u>\$ 291,352</u>
Total Federal Awards			<u>\$ 32,510,812</u>

(Continued)

Montgomery County, Tennessee, and the Clarksville-Montgomery County School System  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
		Contract Number	
<u>State Grants</u>			
Early Childhood Education - State Department of Education	N/A	(4)	\$ 1,840,911
Forensic Child Interviews - State Department of Children's Services	N/A	(4)	35,000
Veterans Treatment Court Initiative - State Department of Mental Health and Substance Abuse Services	N/A	(4)	113,106
Juvenile Justice State Supplemental Funds - State Commission on Children and Youth	N/A	(4)	9,000
Coordinated School Health - State Department of Education	N/A	(4)	149,086
Safe Schools Act - State Department of Education	N/A	(4)	1,069,609
Middle School CTE Start-Up Grant - State Department of Education	N/A	(4)	23,505
Middle School Stem Start-Up Grant - State Department of Education	N/A	(4)	9,000
HAVA Election Security Grants - State Secretary of State	N/A	(4)	87
Local Park and Recreation Fund Grant - State Department of Environment and Conservation	N/A	(4)	375,000
Child Advocacy Center - State Department of Children's Services	N/A	(4)	52,000
Child and Family Intervention Services - State Department of Children's Services	N/A	(4)	69,606
Litter Program - State Department of Transportation	N/A	(4)	81,600
Rural Local Health Services - State Department of Health	N/A	(4)	2,381,852
Community Correction Grant - State Department of Corrections	N/A	(4)	434,242
VW Diesel Settlement Environmental Mitigation Trust School Bus Replacement Grant Program - State Department of Environment and Conservation	N/A	(4)	312,500
School to Work Transition Grant - State Department of Human Services	N/A	(4)	7,111
Drug Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(4)	69,388
Teen Learning Center - State Department of Children's Services	N/A	(4)	422,082
Total State Grants			<u>\$ 7,454,685</u>

CFDA = Catalog of Federal Domestic Assistance

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Montgomery County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$12,482,160; Highway Planning and Construction Cluster total \$22,112; Highway Safety Cluster total \$32,223; Special Education Cluster total \$7,110,468.
- (6) Total for CFDA No. 10.555 is \$9,002,971; Total for CFDA No. 10.553 is \$3,479,189; Total for CFDA No. 90.404 is \$3,782.
- (7) For the year ended June 30, 2020, Montgomery County received excess military equipment from the U.S. Department of Military valued at \$5,061.
- (8) For the year ended June 30, 2020, the Tennessee Department of Military donated PPE valued at \$88,148 (\$66,111 federal and \$22,037 state) to the county. These donations were unaudited.

Montgomery County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2020

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Montgomery County, Tennessee, for the year ended June 30, 2020.

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICE OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

2019	259	2019-001	Capital Asset Records were not Completed in a Timely Manner	N/A	Corrected
2019	259	2019-002	The Office did not File Reports on Debt Obligations with the State Comptroller's Office	N/A	Corrected

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***Prior-year Federal Awards Findings***

There were no prior-year federal award findings to report.

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**MONTGOMERY COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2020**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Montgomery County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* CFDA Number 84.010 Title I Grants to Local Educational Agencies
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$975,324**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

A finding and recommendation, as a result of our audit, are presented below. We reviewed this finding and recommendation with management to provide an opportunity for their response. A written response for the finding is paraphrased and presented following the finding and recommendation. Management's corrective action plan, whether related to the financial statements or federal awards, is presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### **OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

#### **FINDING 2020-001**                      **THE OFFICES HAD DEFICIENCIES IN BUDGET OPERATIONS** (Noncompliance Under *Government Auditing Standards*)

Expenditures exceeded appropriations at the major category level (the legal level of control) of the following funds:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General:	
County Attorney	\$     37,514
Drug Court	2,287
County Coroner/Medical Examiner	42,150
Tourism	449,117
General Capital Projects:	
General Government	24,000

Section 5-9-401, *Tennessee Code Annotated*, states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies." These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures.

### **RECOMMENDATION**

Expenditures should be held within appropriations approved by the county commission.

### **MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

We concur with the finding as shown above.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs related to federal awards for the year ended June 30, 2020.



**Montgomery County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2020**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

2020-001	The offices had deficiencies in budget operations	266
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**Corrective Action Plan**

**FINDING:** THE OFFICES HAD DEFICIENCIES IN  
BUDGET OPERATIONS  
(Noncompliance Under *Government Auditing Standards*)

**Response and Corrective Action Plan Prepared by:**  
Jeff Taylor, Director of Accounts and Budgets

**Person Responsible for Implementing the Corrective Action:**  
Jeff Taylor Director of Accounts and Budgets and Shannon Holt, Assistant Director

**Anticipated Completion Date of Corrective Action:**  
06/30/2020

**Repeat Finding:**  
No

**Planned Corrective Action:**  
Budgets will continue to be reviewed monthly to observe major deviations from the budget. The County Attorney and the County Coroner will be required to submit invoices no less than quarterly to assist in the ability to adequately budget those major categories.

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Montgomery County.

### **MONTGOMERY COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Montgomery County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Montgomery County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.